



PRODUCTION COMPANY
A Subsidiary of Inland Resources Inc.

October 12, 2001

State of Utah
Division of Oil, Gas & Mining
Attn: Brad Hill
1594 West North Temple - Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Applications for Permit to Drill: 2-16-9-17, 7-16-9-17, 8-16-9-17, and
14-16-9-17.

Dear Brad:

Enclosed find APD's on the above referenced wells. If you have any questions, feel free to give either Brad or myself a call.

Sincerely,

Mandie Crozier
Permit Clerk

mc
enclosures

RECEIVED

OCT 15 2001

**DIVISION OF
OIL, GAS AND MINING**

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL, DEEPEN

1a. TYPE OF WORK DRILL ☐ DEEPEN ☒

1b. TYPE OF WELL

OIL ☒ GAS ☐ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Inland Production Company

3. ADDRESS AND TELEPHONE NUMBER:

410 - 17th Street, Suite 700, Denver, CO 80202

Phone: (303) 893-0102

4. LOCATION OF WELL (FOOTAGE)

At Surface SW/NE 1980' FEL 1980' FNL

At proposed Producing Zone

5. LEASE DESIGNATION AND SERIAL NO.

ML-3453B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Lone Tree Unit

8. FARM OR LEASE NAME

Lone Tree Unit

9. WELL NO.

#7-16-9-17

10. FIELD AND POOL OR WILDCAT

Monument Butte

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

SW/NE

Sec. 16, T9S, R17E

12. County

Duchesne

13. STATE

UT

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 18.5 Miles southeast of Myton, UT

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)

Approx 1980' f/lse line & 660' f/unit line

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.

Approximately 1,319'

16. NO. OF ACRES IN LEASE

2,200

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

19. PROPOSED DEPTH

6500'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5250.2' GR

22. APPROX. DATE WORK WILL START*

4th Quarter 2001

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8	24#	290'	155 sx +/- 10%
7 7/8	5 1/2	15.5#	TD	275 sx lead followed by 450 sx tail
				See Detail Below

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give date on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

*The actual cement volumes will be calculated off of the open hole logs, plus 15% excess:

SURFACE PIPE - 155 sx Class G Cement +/- 10%, w/ 2% CaCl₂ & 1/4#/sk Cello-flake

Weight: 15.8 PPG YIELD: 1.17 Cu Ft/sk H₂O Req: 5 gal/sk

LONG STRING - Lead: Premium Lite II Cement + 3lbs/sk BA-90 + 3% KCl + .25 lbs/sk Cello Flake + 2 lbs/sk Kol Seal

10% Bentonite + .5% Sodium Metasilicate

Weight: 11.0 PPG YIELD: 3.43 Cu Ft/sk H₂O Req: 21.04 gal/sk

Tail: 50-50 Poz-Class G Cement + 3% KCl + .25 lbs/sk Cello Flake + 2% Bentonite + .3% Sodium Metasilicate

Weight: 14.2 PPG YIELD: 1.59 Cu Ft/sk H₂O Req: 7.88 gal/sk

24.

Name & Signature

Brad Mecham

Title:

Operations Manager

Date:

3/7/01

(This space for State use only)

API Number Assigned:

43-013-32310

APPROVAL:

Approved by the
Utah Division of
Oil, Gas and Mining

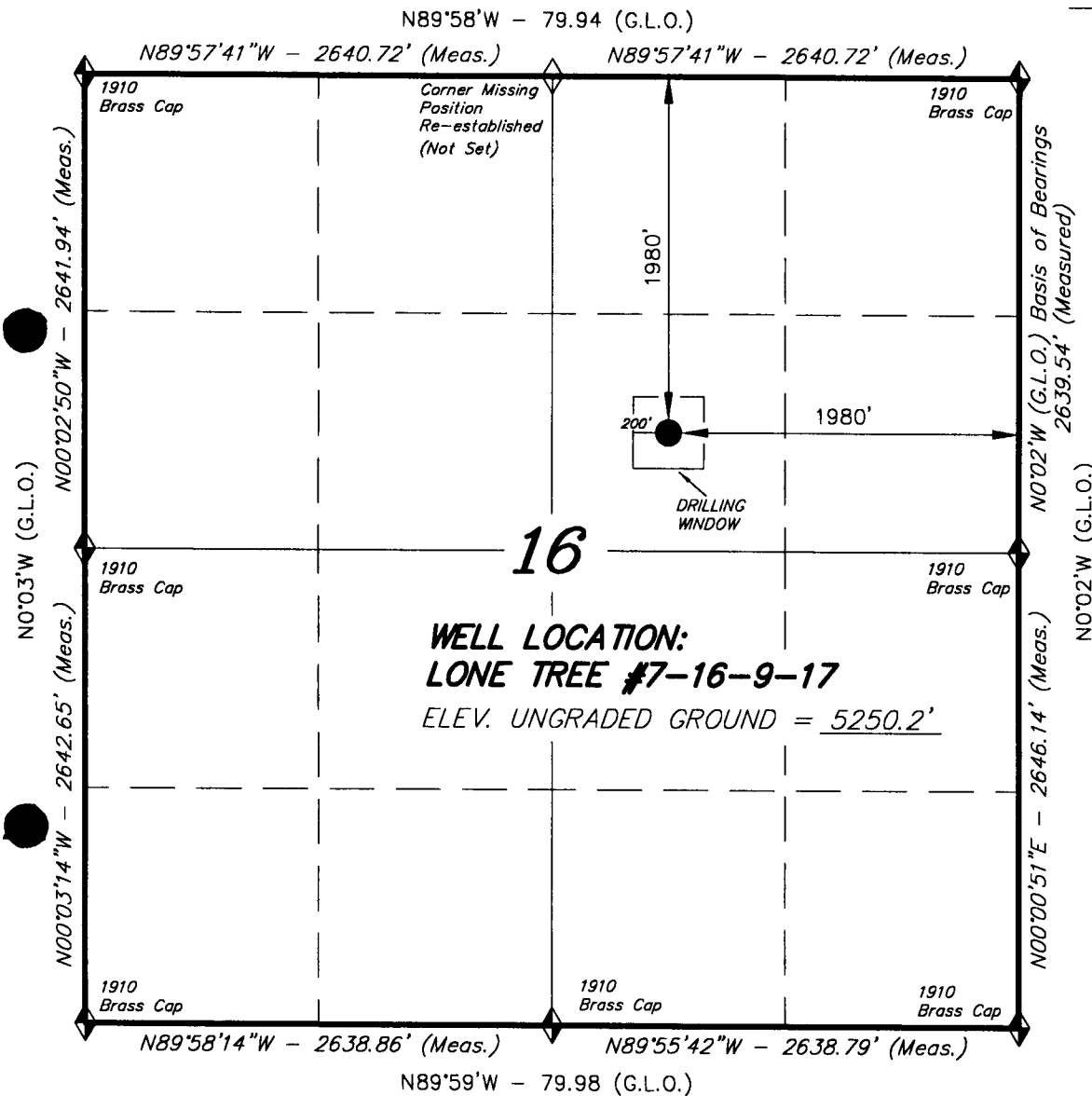
Date: 11-05-01

By:

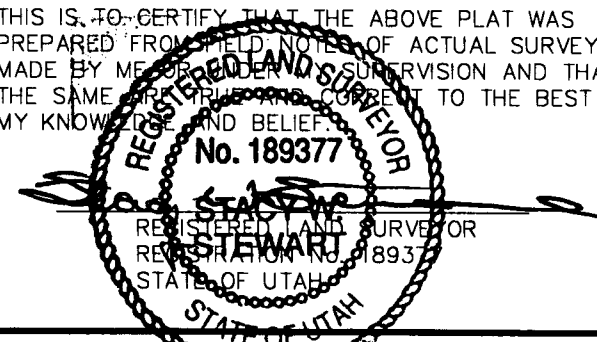
T9S, R17E, S.L.B.&M.

INLAND PRODUCTION COMPANY

WELL LOCATION, LONE TREE
#7-16-9-17, LOCATED AS SHOWN IN
THE SW 1/4 NE 1/4 OF SECTION 16,
T9S, R17E, S.L.B.&M. DUCHESNE COUNTY,
UTAH.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF.



TRI STATE LAND SURVEYING & CONSULTING

38 WEST 100 NORTH - VERNAL, UTAH 84078

(435) 781-2501

SCALE: 1" = 1000'


SURVEYED BY: D.J.S. R.J.

DATE: 2-14-01

WEATHER: COLD

NOTES:

FILE #

 = SECTION CORNERS LOCATED

-BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (MYTON SE)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

October 19, 2001

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2001 Plan of Development Lone Tree Unit
Duchesne County, Utah.

Pursuant to email between Lisha Cordova, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following wells are planned for calendar year 2001 within the Lone Tree Unit, Duchesne County, Utah.

(Proposed PZ Green River)

43-013-32309	Lone Tree U 2-16-9-17	Sec. 16, T9S, R17E	0526 FNL 1775 FEL
43-013-32310	Lone Tree U 7-16-9-17	Sec. 16, T9S, R17E	1980 FNL 1980 FEL
43-013-32311	Lone Tree U 8-16-9-17	Sec. 16, T9S, R17E	1980 FNL 0660 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Greater Boundary
Division of Oil Gas and Mining
Agr. Sec. Chron
Fluid Chron

Mcoulthard:mc:10-19-1

INLAND PRODUCTION COMPANY
LONE TREE UNIT 7-16-9-17
SWNE SECTION 16, T9S, R17E
DUCHESNE COUNTY, UTAH

TEN POINT DRILLING PROGRAM

1. GEOLOGIC SURFACE FORMATION:

Uinta formation of Upper Eocene Age

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

Uinta	0 – 1700'
Green River	1700'
Wasatch	6500'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:

Green River Formation 1700' – 6500' – Oil

4. PROPOSED CASING PROGRAM:

Surface Casing: 8-5/8" J-55 24# w/ST&C collars; set at 290' (New)
Production Casing: 5-1/2" J-55, 15.5# w/LT&C collars; set at TD (New or used, inspected).

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

The operator's minimum specifications for pressure control equipment are as follows:

An 8" Series 900 Annular Bag type BOP and an 8" Double Ram Hydraulic unit with a closing unit will be utilized. Function test of BOP's will be check daily.

Refer to Exhibit F for a diagram of BOP equipment that will be used on this well.

6. TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:

The well will be drilled with air/mist system to 3200', then from 3200' +/- to TD with a fresh water/polymer system will be utilized. If necessary, to control formation fluids, the system will be weighted with the addition of bentonite gel, and if conditions warrant, barite. This fresh water system typically will contain Total Dissolved Solids (TDS) of less than 3000 PPM. Neither potassium chloride nor chromates will be utilized in the fluid system. The anticipated mud weight is 8.4 ppg and weighted as necessary for gas control.

AIR DRILLING

In the event that the proposed location is to be "Air Drilled", Inland requests a variance to regulations requiring a straight run blooie line. Inland proposes that the flowline will contain two (2) 90-degree turns. Inland also requests a variance to regulations requiring an automatic igniter or continuous pilot light on the blooie line. Inland requests authorization to ignite as needed, and the flowline at 80'.

Inland Production Company requests that the spark arrest, exhaust, or water cooled exhaust be waived under the Special Drilling Operations of Onshore Order #2.

MUD PROGRAM

Surface – 3200'
3200' – TD'

MUD TYPE

fresh water or air/mist system
fresh water system

From surface to \pm 3200 feet will be drilled with either fresh water or an air/mist system, depending on the drilling contractor's preference. From about 3200 feet, or in the case of the air/mist system when hole conditions dictate, to TD, a fresh water system will be utilized. Clay inhibition and hole stability will be achieved with a KCL substitute additive. This fresh water system will typically contain Total Dissolved Solids (TDS) of less than 3000 PPM. Anticipated mud weight is 8.4 lbs/gal. If necessary to control formation fluids or pressure, the system will be weighted with the addition of bentonite gel, and if pressure conditions warrant, with barite. No chromate additives will be used in the mud system.

7. **AUXILIARY SAFETY EQUIPMENT TO BE USED:**

Auxiliary safety equipment will be a Kelly Cock, bit float, and a TIW valve with drill pipe threads.

8. **TESTING, LOGGING AND CORING PROGRAMS:**

The logging program will consist of a Dual Induction, Gamma Ray and Caliper log from TD to base of surface casing @ 290' +/-, and a Compensated Neutron-Formation Density Log from TD to 3500' +/- . A cement bond log will be run from PBTD to cement top. No drill stem testing or coring is planned for this well.

9. **ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:**

The anticipated maximum bottom hole pressure is 2000 psi. It is not anticipated that abnormal temperatures will be encountered; or that any other abnormal hazards such as H₂S will be encountered in this area.

10. **ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:**

It is anticipated that the drilling operations will commence the fourth quarter of 2001, and take approximately seven (7) days from spud to rig release.

INLAND PRODUCTION COMPANY
LONE TREE UNIT 7-16-9-17
SWNE SECTION 16, T9S, R17E
DUCHESNE COUNTY, UTAH

THIRTEEN POINT SURFACE PROGRAM

1. EXISTING ROADS

See attached **Topographic Map "A"**

To reach Inland Production Company well location site Lone Tree Unit 7-16-9-17 located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 16, T9S, R17E, S.L.B. & M., Duchesne County, Utah:

Proceed in a southwesterly direction out of Myton, Utah along Highway 40 approximately 1.6 miles to the junction of this highway and Utah State Highway 53; proceed southerly along Utah State Highway 53 approximately 1.7 miles to its junction with State Highway 216, remain on State Highway 53 and continue in a southwesterly direction for another 9.7 miles, turn south on existing dirt road, proceed southerly 1.8 miles to an existing dirt road to the east, proceed southeasterly 1.4 miles to the beginning of the proposed access road of the 7-16-9-17.

The highways mentioned in the foregoing paragraph are bituminous surfaced roads to the point where Highway 216 exists to the South, thereafter the roads are constructed with existing materials and gravel. The highways are maintained by Utah State road crews. All other roads are maintained by County crews.

The aforementioned dirt oil field service roads and other roads in the vicinity are constructed out of existing native materials that are prevalent to the existing area they are located in and range from clays to a sandy-clay shale material.

The roads for access during the drilling, completion and production phase will be maintained at the standards required by the State of Utah, or other controlling agencies. This maintenance will consist of some minor grader work for smoothing road surfaces and for snow removal.

2. PLANNED ACCESS ROAD

Approximately 1800' of access road is proposed. See attached **Topographic Map "B"**.

The proposed access road will be an 18' crown road (9' either side of the centerline) with drainage ditches along either side of the proposed road whether it is deemed necessary in order to handle any run-off from normal meteorological conditions that are prevalent to this area. The maximum grade will be less than 8%.

There will be no culverts required along this access road. There will be barrow ditches and turnouts as needed along this road.

There are no fences encountered along this proposed road. There will be no new gates or cattle guards required.

All construction material for this access road will be borrowed material accumulated during construction of the access road.

3. **LOCATION OF EXISTING WELLS**

Refer to **EXHIBIT D**.

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

There are no existing facilities that will be used by this well.

It is anticipated that this well will be a producing oil well.

Upon construction of a tank battery, the well pad will be surrounded by a dike of sufficient capacity to contain at minimum 110% of the largest tank volume within the facility battery.

Tank batteries will be built to State specifications.

All permanent (on site for six (6) months or longer) structures, constructed or installed (including pumping units), will be painted Desert Tan. All facilities will be painted within six months of installation.

5. **LOCATION AND TYPE OF WATER SUPPLY**

Fresh water purchased from the Johnson Water District will be used for drilling. A temporary poly pipeline may be used for water transportation from our existing supply line from Johnson Water District, or trucked from Inland Production Company's injection facilities – **EXHIBIT C**.

There will be no water well drilled at this site.

6. **SOURCE OF CONSTRUCTION MATERIALS**

All construction material for this location shall be borrowed material accumulated during construction of the location site and access road.

A mineral material application is not required for this location.

7. **METHODS FOR HANDLING WASTE DISPOSAL**

A small reserve pit (90' x 40' x 8' deep, or less) will be constructed from native soil and clay materials. The reserve pit will receive the processed drill cutting (wet sand, shale & rock) removed from the wellbore. Any drilling fluids, which do accumulate in the pit as a result of shale-shaker carryover, cleaning of the sand trap, etc., will be promptly reclaimed. All drilling fluids will be fresh water based, typically containing Total Dissolved Solids of less than 3000 PPM. No potassium chloride, chromates, trash, debris, nor any other substance deemed hazardous will be placed in this pit. Therefore, it is proposed that no synthetic liner be required in the reserve pit. However, if upon constructing the pit there is insufficient fine clay and silt present, a liner will be used for the purpose of reducing water loss through percolation.

A portable toilet will be provided for human waste.

A trash basket will be provided for garbage (trash) and hauled away to an approved disposal site at the completion of the drilling activities.

Immediately upon first production, all produced water will be confined in storage tanks. Inland requests temporary approval to transfer the produced water to Inland's nearby waterflood, for re-injection into the waterflood reservoirs via existing approved injection wells. Within 90 days of

first production, a water analysis will be submitted to the Authorized Officer along with an application for approval of this, as a permanent disposal method.

8. **ANCILLARY FACILITIES:**

There are no ancillary facilities planned for at the present time and none foreseen in the near future.

9. **WELL SITE LAYOUT:**

See attached Location Layout Sheet.

Fencing Requirements

All pits will be fenced according to the following minimum standards:

- a) A 39-inch net wire shall be used with at least one strand of barbed wire on top of the net.
- b) The net wire shall be no more than two (2) inches above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least forty-two (42) inches.
- c) Corner posts shall be centered and/or braced in such a manner to keep tight at all times
- d) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than sixteen (16) feet.
- e) All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The reserve pit fencing will be on three (3) sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

10. **PLANS FOR RESTORATION OF SURFACE:**

a) **Producing Location**

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, material, trash and junk not required for production.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximated natural contours. Weather permitting, the reserve pit will be reclaimed within one hundred twenty (120) days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed.

b) **Dry Hole Abandoned Location**

At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and the State of Utah will attach the appropriate surface rehabilitation conditions of approval.

11. **SURFACE OWNERSHIP:** State of Utah

12. **OTHER ADDITIONAL INFORMATION:**

- a) Inland Production Company is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, Inland is to immediately stop work that might further disturb such materials and contact the Authorized Officer.
- b) Inland Production will control noxious weeds along rights-of-way for roads, pipelines, well sites or other applicable facilities. On State administered land it is required that a Pesticide Use Proposal shall be submitted and given approval prior to the application of herbicides or other possible hazardous chemicals.
- c) Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on State Lands after the conclusion of drilling operations or at any other time without State authorization. However, if State authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

The Archaeological Cultural Resource Survey will be forthcoming.

Additional Surface Stipulations

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws and regulations, Onshore Oil and Gas Orders, the approved plan of operations and any applicable Notice to Lessees. A copy of these conditions will be furnished to the field representative to ensure compliance.

Hazardous Material Declaration

Inland Production Company guarantees that during the drilling and completion of the Lone Tree Unit 7-16-9-17, Inland will not use, produce, store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Superfund Amendments and Reauthorization Act (SARA) of 1986. Inland also guarantees that during the drilling and completion of the Lone Tree Unit 7-16-9-17 Inland will use, produce, store, transport or dispose less than the threshold planning quantity (T.P.Q.) of any extremely hazardous substances as defined in 40 CFR 355.

A complete copy of the approved APD, if applicable, shall be on location during the construction of the location and drilling activities.

Inland Production Company or a contractor employed by Inland Production shall contact the State office at (801) 722-3417, 48 hours prior to construction activities.

The State office shall be notified upon site completion prior to moving on the drilling rig.

13. **LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:**

Representative

Name: Mike Guinn

Address: Inland Production Company
Route 3, Box 3630
Myton, UT 84052
Telephone: (435) 646-3721

Certification

Please be advised that INLAND RESOURCES, INC. is considered to be the operator of well #7-16-9-17, SWNE Section 16, T9S, R17E, LEASE #ML-3453B, Duchesne County, Utah and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Hartford Accident #4471291.

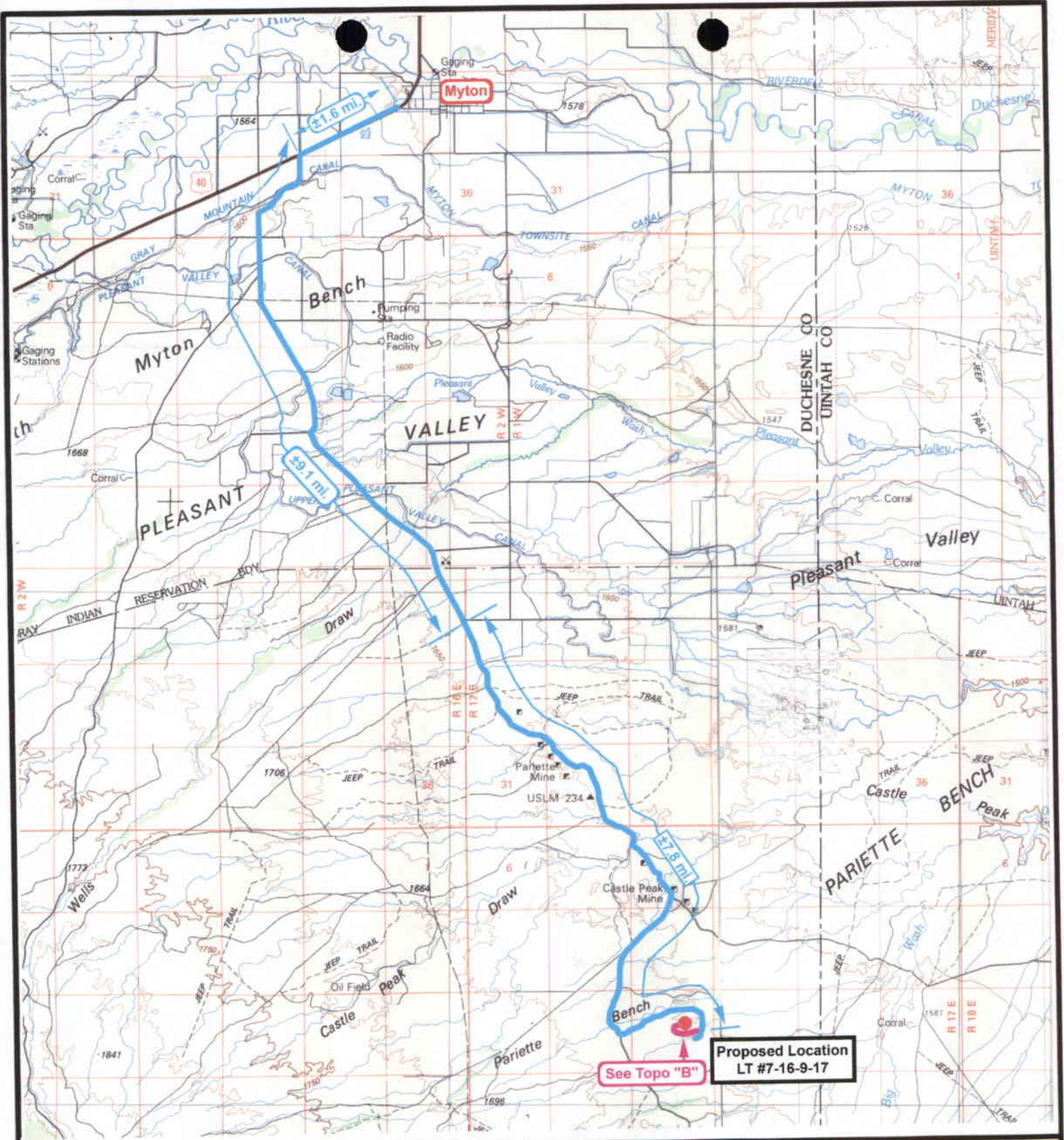
I hereby certify that the proposed drill site and access route have been inspected, and I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Inland Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of the 18 U.S.C. 1001 for the filing of a false statement.

Date

3/7/01


Brad Mechem

Operations Manager
Inland Production Company



**Lone Tree #7-16-9-17
SEC. 16, T9S, R17E, S.L.B.&M.**



**Tri-State
Land Surveying Inc.**
(435) 781-2501
38 West 100 North Vernal, Utah 84078

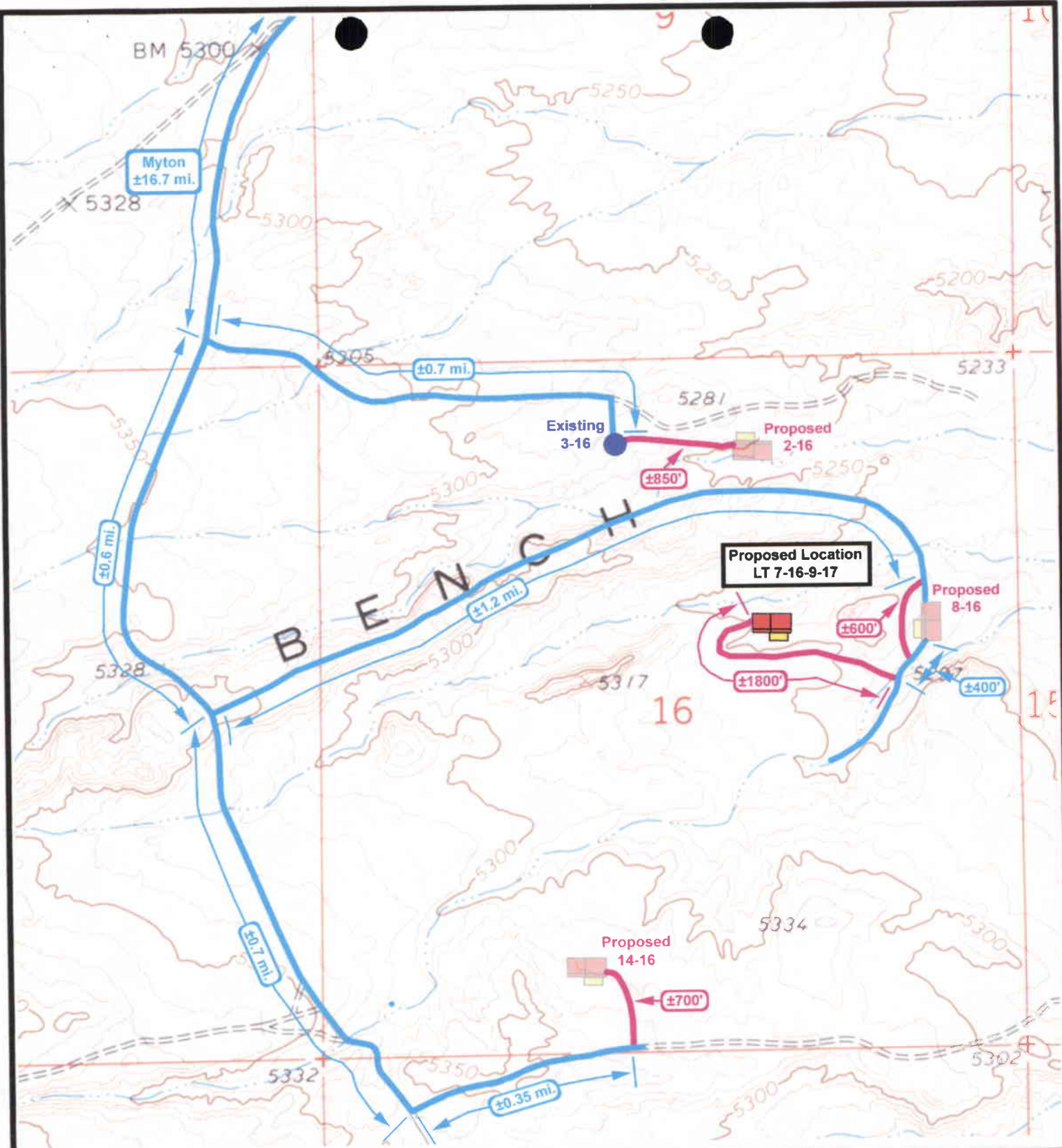
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DRAWN BY: bgm
DATE: 02-12-2001**

Legend

- Existing Road
- Proposed Access
- Existing Pipeline
- Proposed Pipeline

TOPOGRAPHIC MAP

"A"



Lone Tree #7-16-9-17
SEC. 16, T9S, R17E, S.L.B.&M.



Tri-State
Land Surveying Inc.
 (435) 781-2501
 38 West 100 North Vernal, Utah 84078

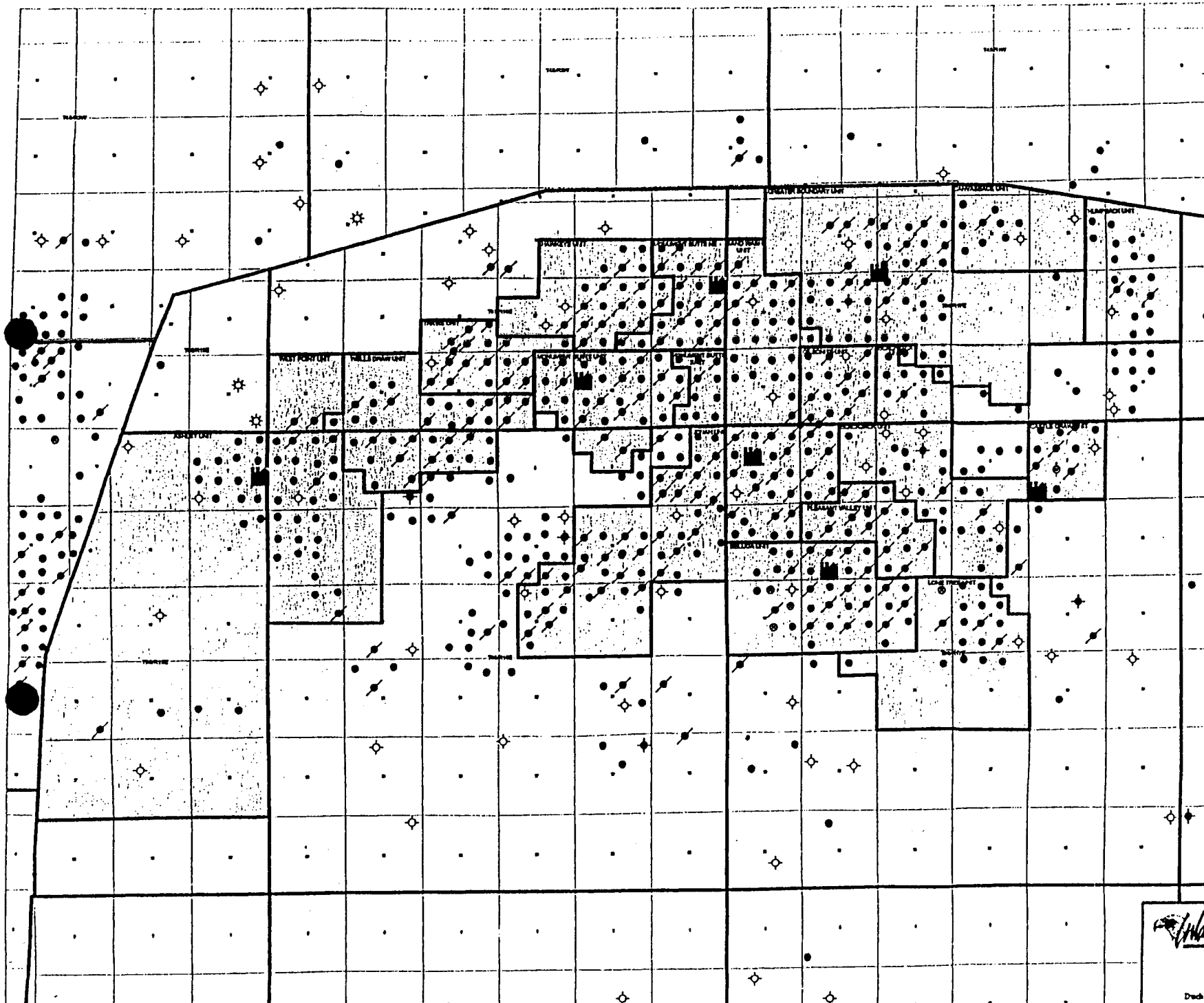
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 DRAWN BY: bgm
 DATE: 02-14-2001

Legend	
	Existing Road
	Proposed Access
	Existing Pipeline
	Proposed Pipeline

TOPOGRAPHIC MAP

"B"

EXHIBIT "C"



Well Categories

- INU
- WTR
- SWD
- OIL
- GAS
- DRY
- SHUTIN
- SUSPENDED
- ABND
- Injection Stations
- Unit Sections



4017 Street Suite 200
Denver, Colorado 80237
Phone (303) 891-0100

UINTA BASIN

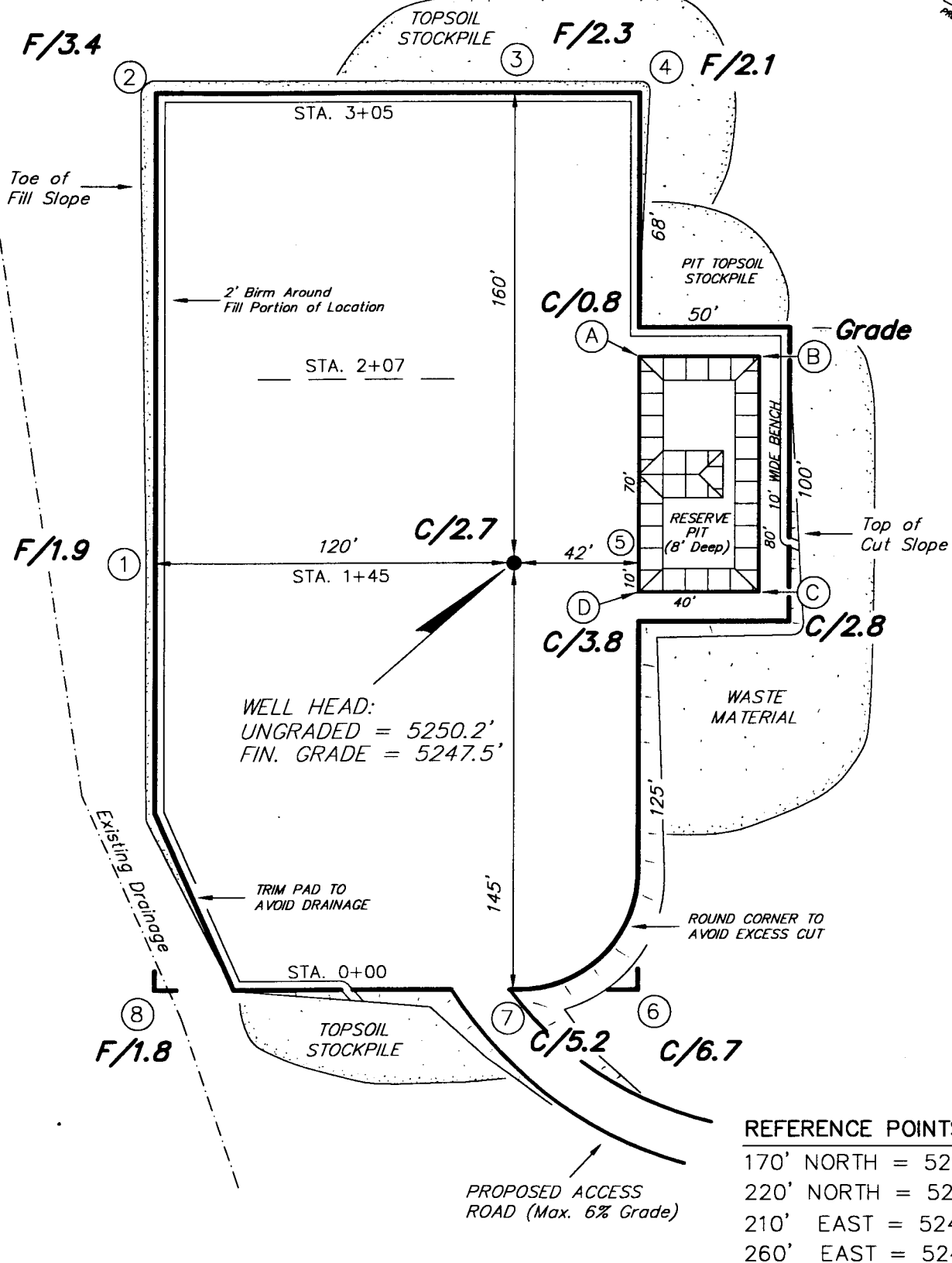
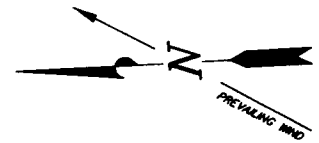
Druckman & Utterback Consulting, Utah

Dec 11-13-99

M.A.P.

INLAND PRODUCTION COMPANY

LONE TREE #7-16-9-17
SEC. 16, T9S, R17E, S.L.B.&M.



REFERENCE POINTS

170' NORTH = 5244.6'
220' NORTH = 5245.2'
210' EAST = 5244.3'
260' EAST = 5243.7'

SURVEYED BY: R.J.

SCALE: 1" = 50'

DRAWN BY: J.R.S.

DATE: 2-14-01

Tri State
Land Surveying, Inc.

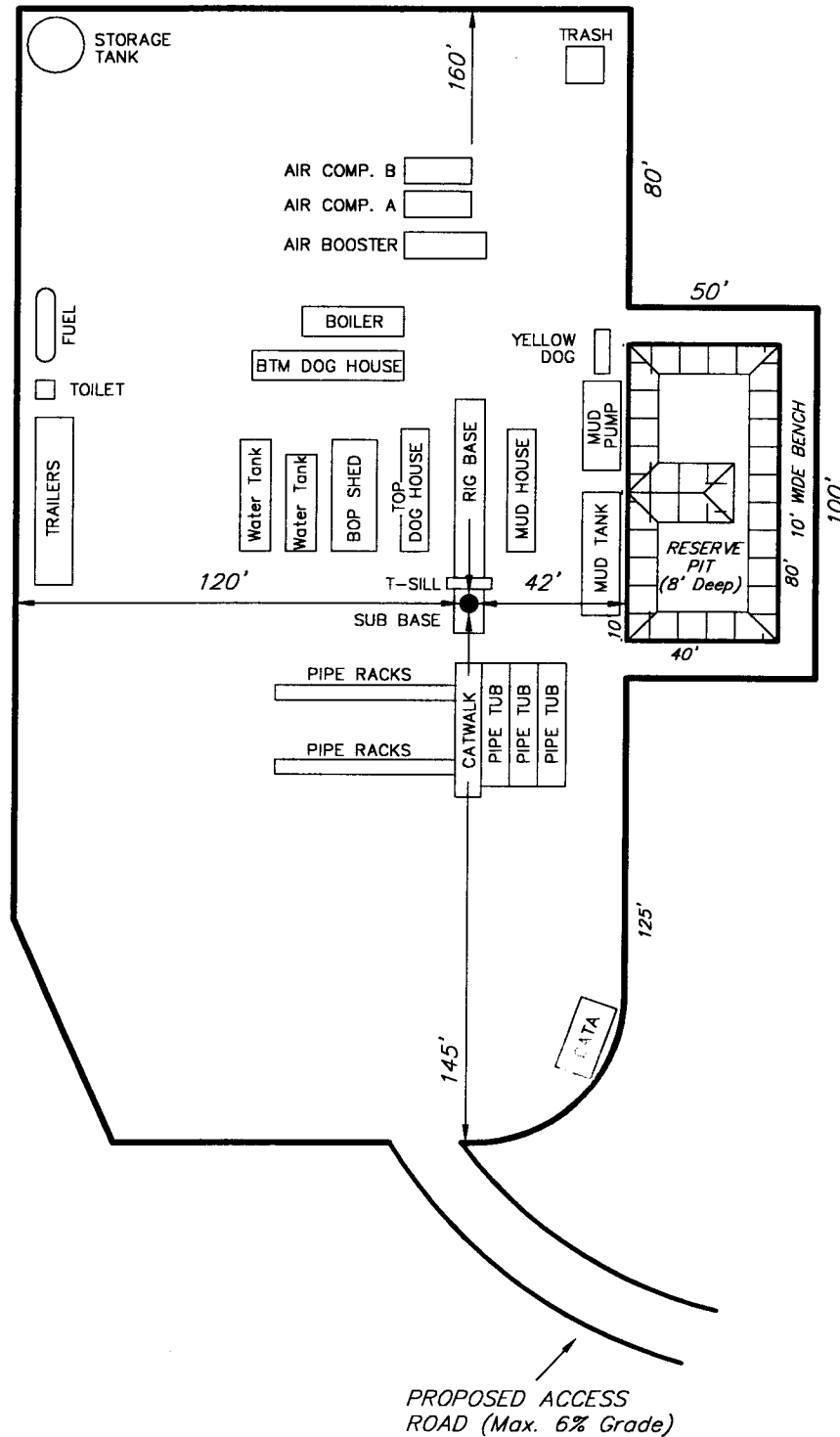
(435) 781-2501

38 WEST 100 NORTH VERNAL, UTAH 84078

INLAND PRODUCTION COMPANY

TYPICAL RIG LAYOUT

LONE TREE #7-16-9-17



SURVEYED BY: R.J.

SCALE: 1" = 50'

DRAWN BY: J.R.S.

DATE: 2-14-01

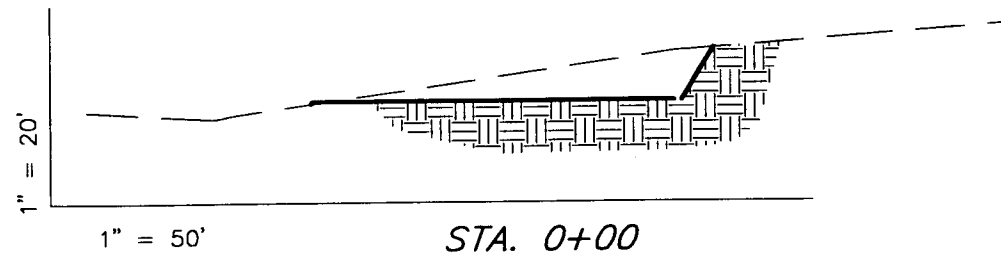
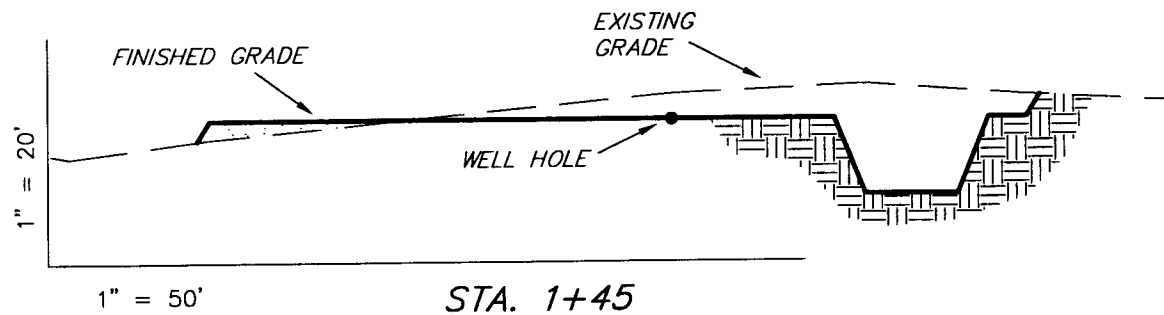
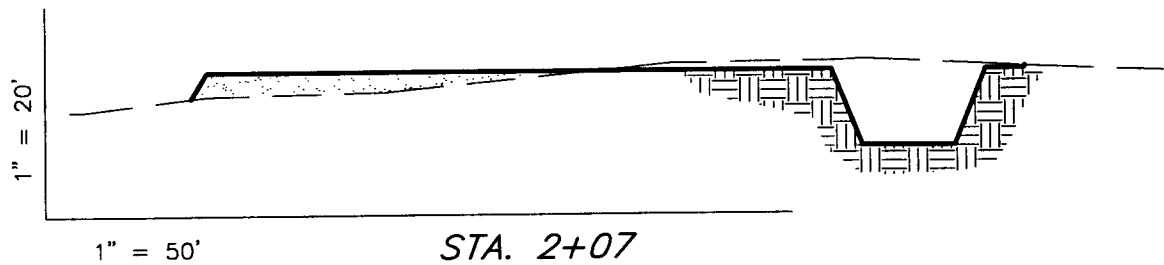
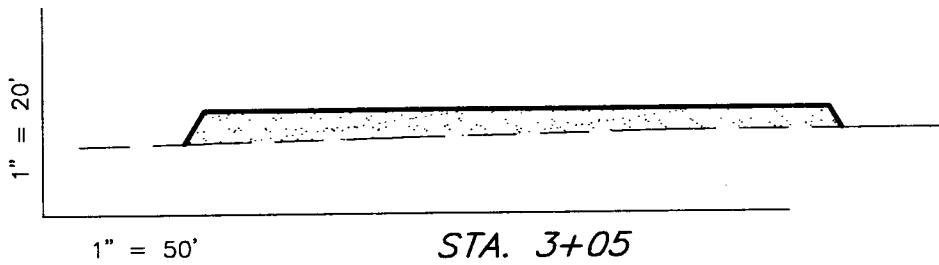
Tri State
Land Surveying, Inc.

(435) 781-2501

38 WEST 100 NORTH VERNAL, UTAH 84078

INLAND PRODUCTION COMPANY
CROSS SECTIONS

LONE TREE #7-16-9-17



APPROXIMATE YARDAGES

CUT = 2,090 Cu. Yds.

FILL = 2,090 Cu. Yds.

PIT = 640 Cu. Yds.

6" TOPSOIL = 1,010 Cu. Yds.

SURVEYED BY: R.J.

SCALE: 1" = 50'

DRAWN BY: J.R.S.

DATE: 2-14-01

Tri State
Land Surveying, Inc.

38 WEST 100 NORTH VERNAL, UTAH 84078

(435) 781-2501

RAM TYPE B.O.P.

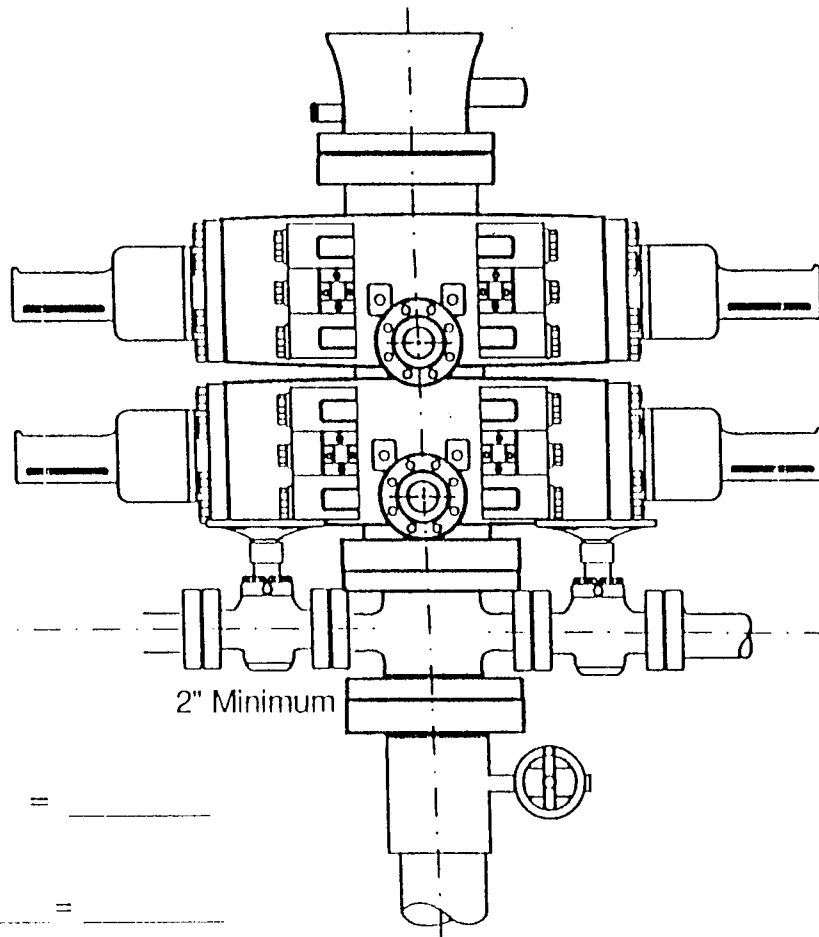
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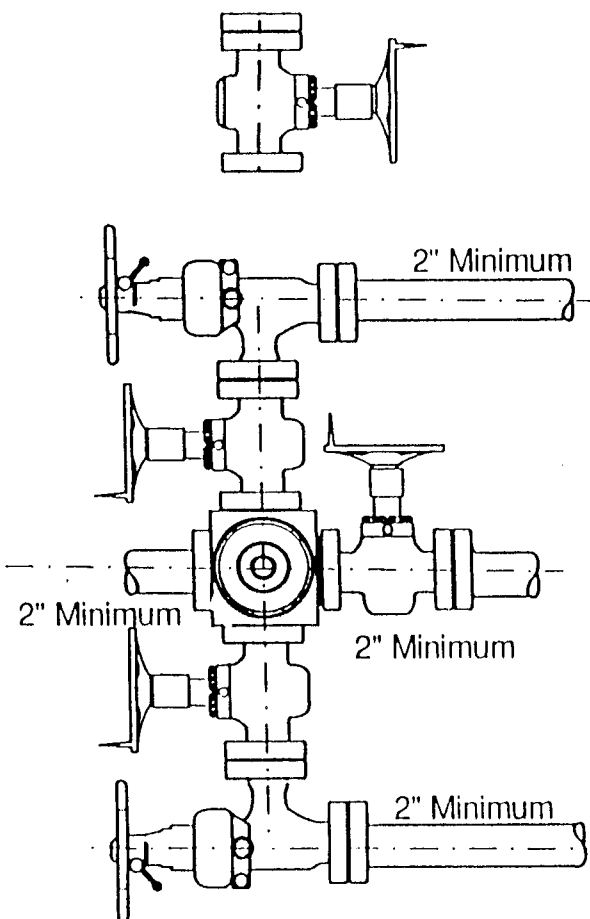
Model:

2-M SYSTEM

Page 4



2" Minimum



2" Minimum

2" Minimum

2" Minimum

AL TO CLOSE

Annular BOP = _____

Ramtype BOP

_____ Rams x _____ = _____

= _____ Gal.

_____ x 2 = _____ Total Gal.

Rounding off to the next higher
increment of 10 gal. would require

_____ Gal. (total fluid & nitro volume)

EXHIBIT F

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/15/2001

API NO. ASSIGNED: 43-013-32310

WELL NAME: LONE TREE U 7-16-9-17

OPERATOR: INLAND PRODUCTION (N5160)

CONTACT: MANDIE CROZIER

PHONE NUMBER: 435-646-3721

PROPOSED LOCATION:

SWNE 16 090S 170E

SURFACE: 1980 FNL 1980 FEL

BOTTOM: 1980 FNL 1980 FEL

DUCHESNE

MONUMENT BUTTE (105)

LEASE TYPE: 3 - State

LEASE NUMBER: ML-3453B

SURFACE OWNER: 3 - State

PROPOSED FORMATION: GRRV

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	11/2/01
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[] Ind[] Sta[3] Fee[]
(No. RN4471291)

☒ Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit

(No. MUNICIPAL)

☒ RDCC Review (Y/N)

(Date: _____)

☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

 R649-2-3. Unit LONE TREE (GR)

 R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

 R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 228-5

Eff Date: 6-18-98

Siting: *Suspend Gen. Siting

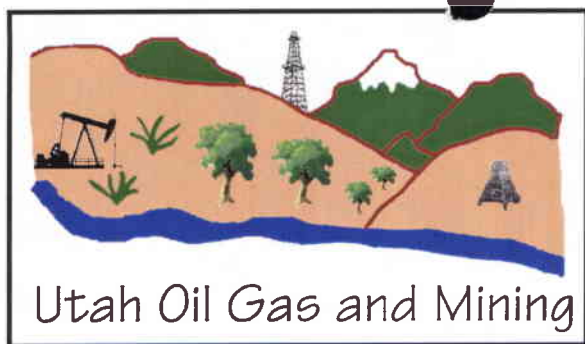
 R649-3-11. Directional Drill

COMMENTS:

Need presite. (10-18-01)

STIPULATIONS:

① STATEMENT OF BASIS

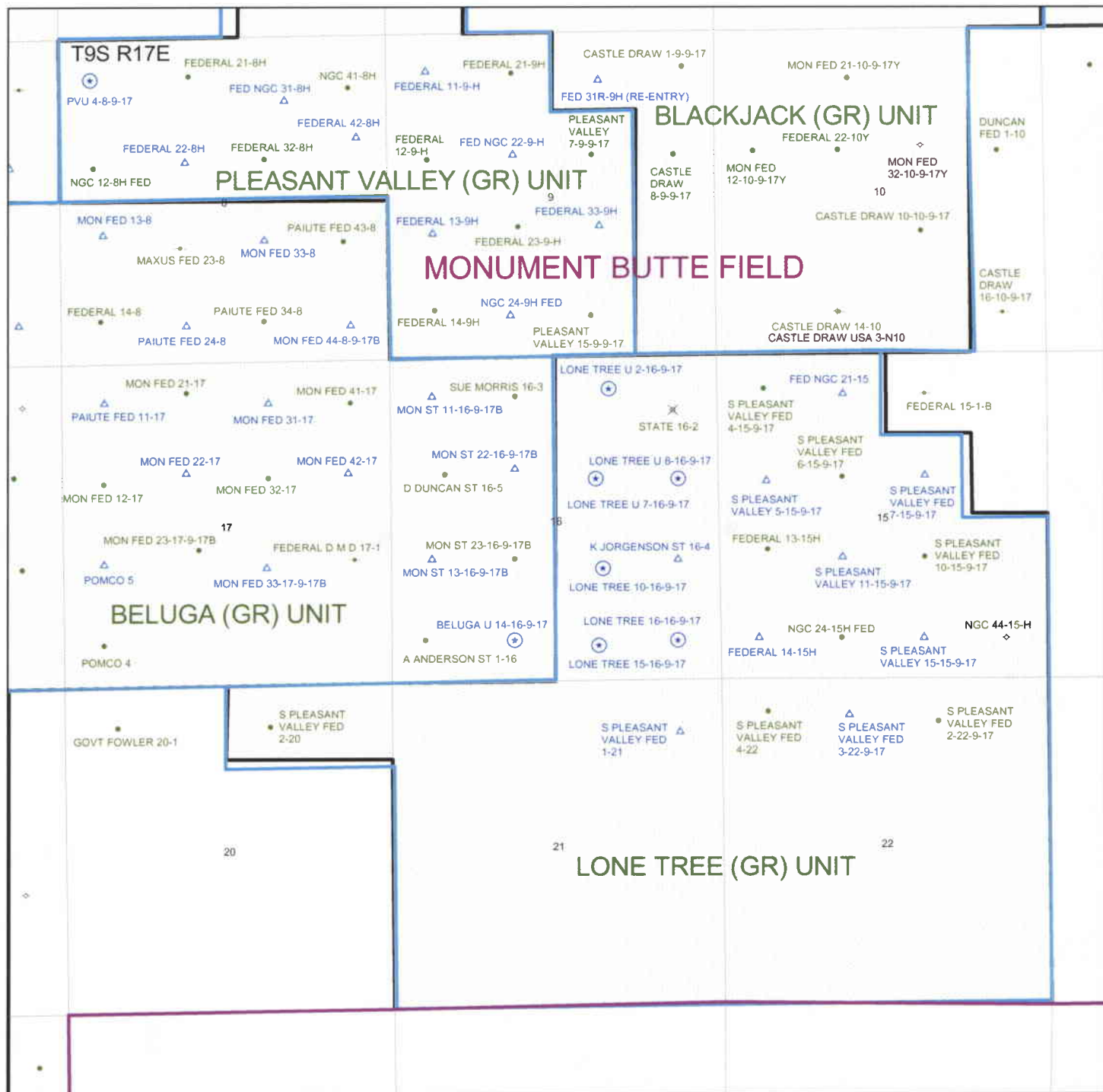


OPERATOR: INLAND PROD CO (N5160)

SEC. 16, T9S, R17E

FIELD: MONUMENT BUTTE (105)

COUNTY: DUCHESNE UNIT: LONE TREE (GR)
CAUSE: 228-5



Casing Schematic

Surface

Joint

8-5/8"
MW 8.4
Frac 19.3

TOC @
0.

TOC @
0.

Surface
290. MD

w/12" washout

BOP

BHP

$$(0.052)(8.4)(6500) = 2839 \text{ psi}$$

Anticipated = 2000 psi; 1700' - Green River

Gas

$$(0.12)(6500) = 780 \text{ psi}$$

$$\text{MASP} = 2059 \text{ psi}$$

w/11" washout

Gas/mud

$$(0.22)(6500) = 1430 \text{ psi}$$

$$\text{MASP} = \underline{1409 \text{ psi}}$$

ZM BOPE proposed

Adequate DED w/2101

wasatch
5-1/2"
MW 8.4

Production
6500. MD

Well name:

11-01 Inland Lone Tree U 7-16-9-17Operator: **Inland Production Company**String type: **Surface**

Project ID:

43-013-32310

Location: **Duchesne Co.****Design parameters:****Collapse**Mud weight: 8.400 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 69 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 290 ft

Cement top:

Surface**Burst**Max anticipated surface
pressure: 0 psi
Internal gradient: 0.436 psi/ft
Calculated BHP 127 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 253 ft

Re subsequent strings:Next setting depth: 6,500 ft
Next mud weight: 8.400 ppg
Next setting BHP: 2,836 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 290 ft
Injection pressure 290 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	290	8.625	24.00	J-55	ST&C	290	290	7.972	14

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	127	1370	10.83	127	2950	23.31	6	244	40.12 J

Prepared by: Dustin K. Doucet
Utah Dept. of Natural ResourcesPhone: 801-538-5281
FAX: 801-359-3940Date: November 2, 2001
Salt Lake City, Utah**ENGINEERING STIPULATIONS: NONE**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 290 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

11-01 Inland Lone Tree U 7-16-9-17

Operator: Inland Production Company

String type: Production

Project ID:

43-013-32310

Location: Duchesne Co.

Design parameters:**Collapse**

Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 156 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 300 ft

Cement top:

0 ft

Burst

Max anticipated surface pressure: 0 psi
Internal gradient: 0.436 psi/ft
Calculated BHP: 2,836 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on air weight.

Neutral point: 5,674 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	6500	5.5	15.50	J-55	LT&C	6500	6500	4.825	203.8
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	2836	4040	1.42	2836	4810	1.70	101	217	2.15 J

Prepared by: Dustin K. Doucet
Utah Dept. of Natural Resources

Phone: 801-538-5281
FAX: 801-359-3940

Date: November 2, 2001
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 6500 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

**DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS**

Operator Name: Inland Production company
Well Name & Number: Monument Butte #7-16-9-17
API Number: 43-013-32310
Location: 1/4,1/4 SW/NE Sec. 16 T. 9S R. 17E

Geology/Ground Water:

Inland has proposed setting 290' of surface casing at this location. The depth to the base of the moderately saline ground water is estimated to be at around 250'. A search of Division of Water Rights records indicates that no water wells are located within a 10,000 foot radius of the center of Section 16 . The proposed surface casing should extend near or below the base of the moderately saline water. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of interbedded sandstones and shales. The Sandstones are of a discontinuous nature and probably don't represent a significant aquifer. The existing casing should adequately protect any useable ground water.

Reviewer: Brad Hill
Date: 11/01/2001

Surface:

An onsite was done of the surface area by the Division of Oil, Gas and Mining to take comments and address surface issues. SITLA was shown as the landowner of record and therefore invited by the division to the onsite meeting on 10/18/01 along with the Division of Wildlife Resources. SITLA was not present at the onsite meetings. DWR requested federal regulations on plover and raptures be followed by the operator if construction os location is during nesting time. A dry wash bed located immediately north of location was noted and requests rounding of corner #8 as proposed by operator. Location is a legal location and staked in center of qtr/qtr.

Reviewer: Dennis L. Ingram
Date: 10/31/01

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: Inland Production Company
WELL NAME & NUMBER: Monument Butte #7-16-9-17
API NUMBER: 43-013-32310
LEASE: ML-3453B **FIELD/UNIT:** Lone Tree Unit
LOCATION: 1/4, 1/4 SW/NE Sec: 16 TWP: 09S RNG: 17E
1980 F E L 1980 F N L
LEGAL WELL SITING: Suspended statewide siting.
GPS COORD (UTM): 12 584534E; 4431864N
SURFACE OWNER: SITLA

PARTICIPANTS:

BRAD MECHAM (INLAND PRODUCTION COMPANY); JACK LYTLE (DIVISION OF WILDLIFE RESOURCES); DENNIS L. INGRAM (DOGM)

REGIONAL/LOCAL SETTING & TOPOGRAPHY:

Well is proposed south of Pleasant Valley on or near Pariette Bench and approximately 0.1 mile east of the Sand Wash road on southern side on broad wash and slopes to north and east.

SURFACE USE PLAN:

CURRENT SURFACE USE: Domestic grazing, wildlife and recreational use.

PROPOSED SURFACE DISTURBANCE: Access proposed as 1800' and from east off existing roadway. Location measuring 305' x 164' plus reserve pit and surface area for storing topsoil and waste material.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: See GIS Data base

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production equipment shall remain on location with gas sales pipeline and residue lines leaving location to the west where existing lines are located.

SOURCE OF CONSTRUCTION MATERIAL: Native cut and fill or borrowed material.

ANCILLARY FACILITIES: none requested at onsite.

WASTE MANAGEMENT PLAN:

was submitted to DOGM on Application to Drill

ENVIRONMENTAL PARAMETERS:

AFFECTED FLOODPLAINS AND/OR WETLANDS: N/A

FLORA/FAUNA: Shadscale community typical of region, some prickly-pear cactus and greasewood observed, no T&E species plants noted. Primary antelope range, coyote, rabbit, bobcat, owl, raptures, mule deer and plover potential.

SOIL TYPE AND CHARACTERISTICS: Light brown to tan fine grained sandy loam.

EROSION/SEDIMENTATION/STABILITY: Some active erosion, some sedimentation, no stability problems anticipated.

PALEONTOLOGICAL POTENTIAL: None observed during onsite

RESERVE PIT:

CHARACTERISTICS: Proposed in cut on south side of location and upwind of wellhead

LINER REQUIREMENTS (Site Ranking Form attached): 30 points

SURFACE RESTORATION/RECLAMATION PLAN:

Restored to original condition or as stipulated by SITLA at time of reclamation.

SURFACE AGREEMENT: Yes

CULTURAL RESOURCES/ARCHAEOLOGY: Arch survey in progress and shall be submitted to the division

OTHER OBSERVATIONS/COMMENTS:

Surface slopes to northeast on location and has sandy wash along northern boundary. Corner #8 needs rounded and was proposed as such.

ATTACHMENTS:

Photos of the surface area in predrill status

Dennis L. Ingram
DOGM REPRESENTATIVE

10/25/01 10:40 am
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and On-site Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>5</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	15	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>20</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	15	
TDS >10000 or Oil Base	20	
Mud Fluid containing high levels of hazardous constituents		<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility		
Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>
Final Score		<u>30 points</u>



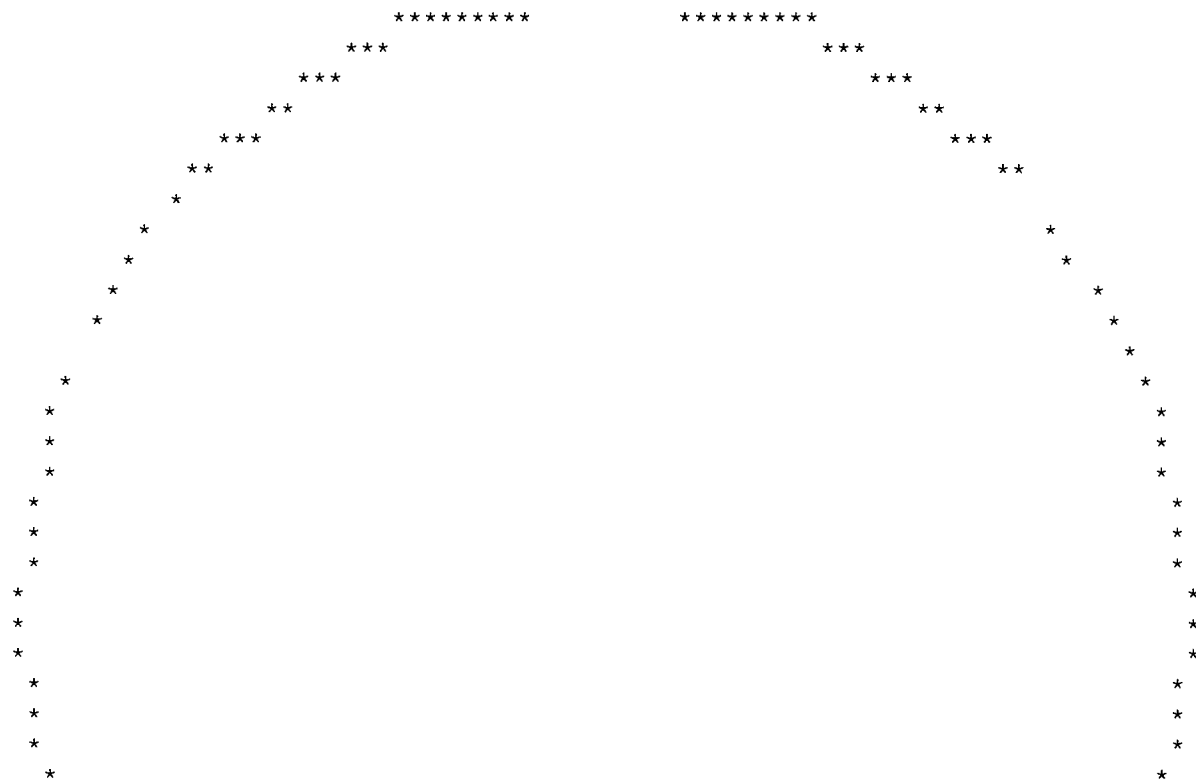


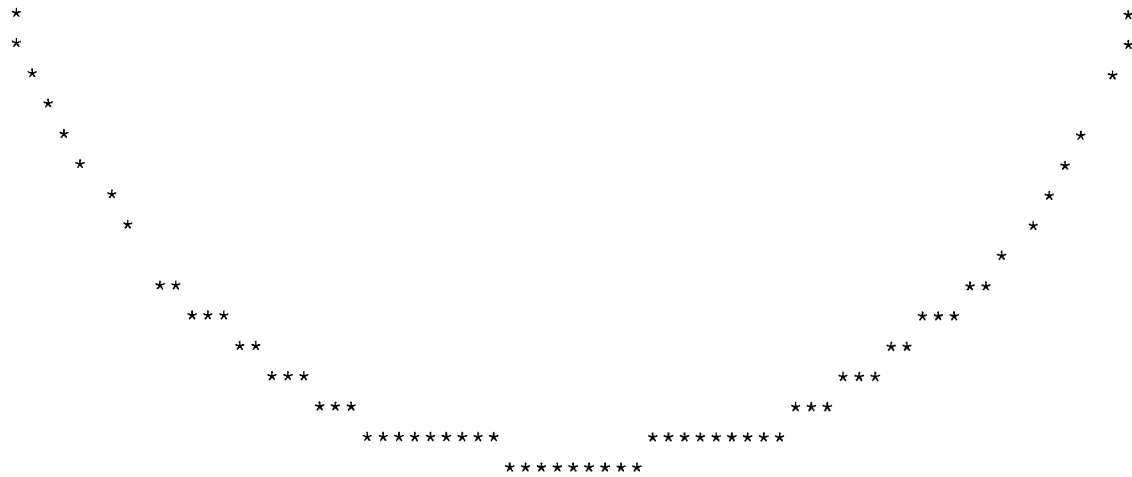
UTAH DIVISION OF WATER RIGHTS
WATER RIGHT POINT OF DIVERSION PLOT CREATED THU, NOV 1, 2001, 11:22 AM
PLOT SHOWS LOCATION OF 0 POINTS OF DIVERSION

PLOT OF AN AREA WITH A RADIUS OF 10000 FEET FROM A POINT
FEET, FEET OF THE CT CORNER,
SECTION 16 TOWNSHIP 9S RANGE 17E SL BASE AND MERIDIAN

PLOT SCALE IS APPROXIMATELY 1 INCH = 4000 FEET

N O R T H







State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

November 5, 2001

Inland Production Company
410 - 17th Street, Suite 700
Denver, CO 80202

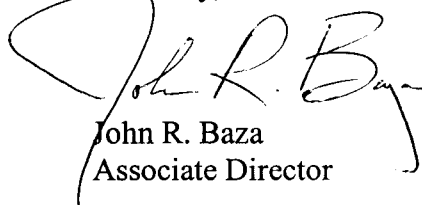
Re: Lone Tree Unit 7-16-9-17 Well, 1980' FNL, 1980' FEL, SW NE, Sec. 16, T. 9 South,
R. 17 East, Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-32310.

Sincerely,



John R. Baza
Associate Director

dm

Enclosures

cc: Duchesne County Assessor
SITLA
Bureau of Land Management, Vernal District Office

Operator: Inland Production Company
Well Name & Number Lone Tree Unit 7-16-9-17
API Number: 43-013-32310
Lease: ML 3453B

Location: SW NE Sec. 16 T. 9 South R. 17 East

Conditions of Approval

1. **General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

STATE OF UTAH

DIVISION OF OIL, GAS, AND MINING

1. **SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.

Use "APPLICATION FOR PERMIT TO DRILL OR DEEPEN" form for such proposals

OIL ☐ GAS ☐
WELL WELL OTHER ☒2. NAME OF OPERATOR
INLAND PRODUCTION COMPANY3. ADDRESS AND TELEPHONE NUMBER
Rt. 3 Box 3630, Myton Utah 84052
435-646-37214. LOCATION OF WELL

Footages **1980 FNL 1980 FEL**

QQ, SEC, T, R, M: **SW/NE Section 16, T9S R17E**

5. LEASE DESIGNATION AND SERIAL NO.

ML-3453B

6. IF INDIAN, ALLOTTEE OR TRIBAL NAME

N/A

7. UNIT AGREEMENT NAME

LONE TREE

8. WELL NAME and NUMBER

LONE TREE 7-16-9-17

9. API NUMBER

43-013-32310

10. FIELD AND POOL, OR WILDCAT

MONUMENT BUTTECOUNTY **DUCHESNE**STATE **UTAH**11. **CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA****NOTICE OF INTENT:**

(Submit in Duplicate)

- ☐ ABANDON ☐ NEW CONSTRUCTION
- ☐ REPAIR CASING ☐ PULL OR ALTER CASING
- ☐ CHANGE OF PLANS ☐ RECOMPLETE
- ☐ CONVERT TO INJECTION ☐ REPERFORATE
- ☐ FRACTURE TREAT OR ACIDIZE ☐ VENT OR FLARE
- ☐ MULTIPLE COMPLETION ☐ WATER SHUT OFF
- ☒ OTHER Notice of Intent

SUBSEQUENT REPORT OF:

(Submit Original Form Only)

- ☐ ABANDON* ☐ NEW CONSTRUCTION
- ☐ REPAIR CASING ☐ PULL OR ALTER CASING
- ☐ CHANGE OF PLANS ☐ RECOMPLETE
- ☐ CONVERT TO INJECTION ☐ REPERFORATE
- ☐ FRACTURE TREAT OR ACIDIZE ☐ VENT OR FLARE
- ☒ OTHER Permit Extension

DATE WORK COMPLETED _____

Report results of Multiple Completion and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

*Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depth for all markers and zones pertinent to this work.)

Inland Production Company requests to extend the permit to drill this well for one year.

13.

NAME & SIGNATURE

Mandie Crozier
Mandie Crozier

TITLE

Permit Clerk

DATE

11/12/2002

(This space for State use only)

4/94

* See Instructions On Reverse Side

COPY SENT TO OPERATOR

DATE: 11-15-02
BY: CHD**Approved by the**
Utah Division of
Oil, Gas and MiningDate: 11-14-02By: [Signature]**RECEIVED**

NOV 13 2002

DIVISION OF
OIL, GAS AND MINING

RECEIVED

JUL 25 2003

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM - FORM 6

DIV. OF OIL, GAS & MINING

OPERATOR: **INLAND PRODUCTION COMPANY**
ADDRESS: **RT. 3 BOX 3630**
MYTON, UT 84052OPERATOR ACCT. NO. **N5160**

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	12417	43-013-32310	Lonetree #7-16-9-17	SW/NE	16	9S	17E	Duchesne	July 25, 2003	7/31/2003

WELL 1 COMMENTS:
GPRV

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 2 COMMENTS:

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 3 COMMENTS:

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 4 COMMENTS:

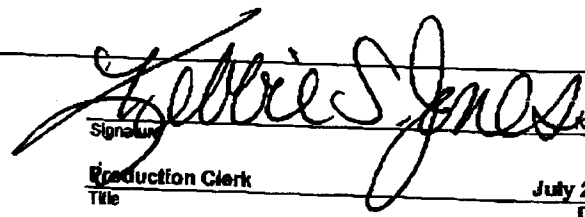
ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 5 COMMENTS:

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.


Keshia S. Jones
Production Clerk
Title
July 25, 2003
Date

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: INLAND PRODUCTION COMPANY

Well Name: LONE TREE U 7-16-9-17

Api No: 43-013-32310 Lease Type: STATE

Section 16 Township 09S Range 17E County DUCHESNE

Drilling Contractor LEON ROSS RIG # 14

SPUDDED:

Date 07/25/03

Time 9:00 AM

How DRY

Drilling will commence: _____

Reported by PAT WISENER

Telephone # 1-435-823-7468

Date 08/05/2003 Signed: CHD

DIV. OF OIL, GAS & MINING

INLAND PRODUCTION COMPANY - CASING & CEMENT REPORT

8 5/8 CASING SET AT 312.32

LAST CASING 8 5/8" SET AT 312.32
 DATUM 12' KB
 DATUM TO CUT OFF CASING _____
 DATUM TO BRADENHEAD FLANGE _____
 TD DRILLER 307 LOGGER _____
 HOLE SIZE 12 1/4

OPERATOR Inland Production Company
 WELL Lonetree 7-16-9-17
 FIELD/PROSPECT Monument Butte
 CONTRACTOR & RIG # Ross # 14

LOG OF CASING STRING:

PIECES	OD	ITEM - MAKE - DESCRIPTION	WT / FT	GRD	THREAD	CONDT	LENGTH
		42.90' sh jt' shjt					
		WHI - 92 csg head			8rd	A	0.95
7	8 5/8"	Maverick ST&C csg	24#	J-55	8rd	A	300.47
		GUIDE shoe			8rd	A	0.9

CASING INVENTORY BAL.	FEET	JTS	TOTAL LENGTH OF STRING	302.32
TOTAL LENGTH OF STRING	302.32	7	LESS CUT OFF PIECE	2
LESS NON CSG. ITEMS	1.85		PLUS DATUM TO T/CUT OFF CSG	12
PLUS FULL JTS. LEFT OUT	0		CASING SET DEPTH	312.32

TOTAL	300.47	7	} COMPARE	
TOTAL CSG. DEL. (W/O THRDS)	300.47	7		
TIMING	1ST STAGE			
BEGIN RUN CSG.	SPUD	07/25/2003	GOOD CIRC THRU JOB	yes
CSG. IN HOLE		9:00am	Bbls CMT CIRC TO SURFACE	5.5 bbls cement
BEGIN CIRC			RECIPROCATED PIPE FOR	THRU FT STROKE
BEGIN PUMP CMT			DID BACK PRES. VALVE HOLD ?	N/A
BEGIN DSPL. CMT			BUMPED PLUG TO	230 PSI
PLUG DOWN	Cemented	07/27/2003		

CEMENT USED	CEMENT COMPANY- B. J.		
STAGE	# SX	CEMENT TYPE & ADDITIVES	
1	150	Class "G" w/ 2% CaCL2 + 1/4#/sk Cello-Flake mixed @ 15.8 ppg 1.17 cf/sk yield	

CENTRALIZER & SCRATCHER PLACEMENT	SHOW MAKE & SPACING
Centralizers - Middle first, top second & third for 3	
RECEIVED	
AUG 04 2003	

DIV. OF OIL, GAS & MINING

COMPANY REPRESENTATIVE Pat Wisener DATE 07/27/2003



December 16, 2003

State of Utah, Division of Oil, Gas and Mining
Attn: Ms. Carol Daniels
P.O. Box 145801
Salt Lake City, Utah 84144-5801

Attn: Ms. Carol Daniels
Re: Completion reports

Dear Ms. Carol Daniels

Enclosed are the preliminary completion reports for the wells spud more than 4 months ago, but not reported as completed.

Inland Resources intends to drill and complete most of the wells on this list in the year 2004. At that time, I will be sending to you the final completion reports for these wells.

If you should have any questions, please contact me at (303) 382-4449.

Sincerely,

Brian Harris
Engineering Tech

RECEIVED
DEC 22 2003
DIV. OF OIL, GAS & MINING

Wells Spudded More than 4 Months Ago But Not Yet Reported As Completed

Well Name				Twp-Rng-Sec		API Number			Spud Date
S WELLS DRAW 13-3-9-16				09S 16E 03		4301332106			9/22/2000
LONE TREE 10-16-9-17				09S 17E 16		4301332087			2/5/2001
LONE TREE 15-16-9-17				09S 17E 16		4301332089			2/7/2001
LONE TREE 16-16-9-17				09S 17E 16		4301332150			2/13/2001
ODEKIRK SPRINGS 15-35-8-17				08S 17E 35		4304733550			4/11/2001
GBU 1-34-8-17				08S 17E 34		4301332252			8/12/2001
GBU 7-34-8-17				08S 17E 34		4301332257			8/30/2001
ASHLEY 2-11-9-15				09S 15E 11		4301332214			10/24/2001
S WELLS DRAW 14-3-9-16				09S 16E 03		4301332139			2/18/2002
S WELLS DRAW 11-3-9-16				09S 16E 03		4301332138			2/19/2002
ASHLEY 7-11-9-15				09S 15E 11		4301332215			7/8/2002
JONAH 4-11-9-16				09S 16E 11		4301332279			1/2/2003
GBU 10-26-8-17				08S 17E 26		4304734309			1/29/2003
GBU 2-26-8-17				08S 17E 26		4304734163			4/29/2003
JONAH 7-14-9-16				09S 16E 14		4301332338			5/12/2003
JONAH 6-14-9-16				09S 16E 14		4301332337			6/9/2003
JONAH 5-14-9-16				09S 16E 14		4301332336			6/11/2003
LONE TREE U 8-16-9-17				09S 17E 16		4301332311			7/15/2003
HUMPBAC FED 9-24-8-17				08S 17E 24		4304734881			7/21/2003
LONE TREE U 7-16-9-17				09S 17E 16		4301332310			7/25/2003

RECEIVED
DEC 22 2003
DIV. OF OIL, GAS & MINING

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WORK

OIL WELL ☒ GAS WELL ☐ DRY ☐ Other _____

1b. TYPE OF WELL

NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF RESVR. ☐ Other _____

2. NAME OF OPERATOR

INLAND RESOURCES INC.

3. ADDRESS AND TELEPHONE NO.

1401 17th St. Suite 1000 Denver, CO 80202

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)*

At Surface 1980' FNL & 1980' FEL (SW NE) Sec. 16, T9S, R17E
At top prod. Interval reported below

At total depth

14. API NO. 43-013-32310 DATE ISSUED _____

12. COUNTY OR PARISH
Duchesne

13. STATE
UT

15. DATE SPUDDED
7/25/2003

16. DATE T.D. REACHED

17. DATE COMPL. (Ready to prod.)
7-22-03

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*
5250' GL 5262' KB

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

312

21. PLUG BACK T.D., MD & TVD

22. IF MULTIPLE COMPL.,
HOW MANY*

23. INTERVALS
DRILLED BY
----->

ROTARY TOOLS

X

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*

Green River

25. WAS DIRECTIONAL
SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

27. WAS WELL CORED
No

23. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8" - J-55	24#	312'	12-1/4"	To surface with 150 sx Class "G" cmt	
5-1/2" - J-55	15.5#		7-7/8"		

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-7/8"	EOT @	TA @

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	SPF/NUMBER

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

33.* PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)				WELL STATUS (Producing or shut-in) TA W/O Drill rig	
DATE OF TEST 10 day ave	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD ----->	OIL--BBL.	GAS--MCF.	WATER--BBL.	GAS-OIL RATIO #VALUE!
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE ----->	OIL-BBL.	GAS--MCF.	WATER--BBL.	OIL GRAVITY-API (CORR.)	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Sold & Used for Fuel

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

SIGNED Brian Harris TITLE Engineering Technician DATE 12/12/03

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries);				38. GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
			Well Name Lonetree 7-16-9-17	Garden Gulch Mkr		
				Garden Gulch 1		
			Garden Gulch 2			
			Point 3 Mkr			
			X Mkr			
			Y-Mkr			
			Douglas Creek Mkr			
			BiCarbonate Mkr			
			B Limestone Mkr			
			Castle Peak			
			Basal Carbonate			
			Total Depth (LOGGERS)			

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

1. SUNDRY NOTICES AND REPORTS ON WELLS (Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT--" for such proposals.)		5. LEASE DESIGNATION AND SERIAL NO. ML-3453B	
		6. IF INDIAN, ALLOTTEE OR TRIBAL NAME N/A	
OIL <input type="checkbox"/> GAS <input type="checkbox"/> WELL <input checked="" type="checkbox"/> WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		7. UNIT AGREEMENT NAME LONE TREE	
2. NAME OF OPERATOR INLAND PRODUCTION COMPANY		8. FARM OR LEASE NAME LONE TREE 7-16-9-17	
3. ADDRESS OF OPERATOR Rt. 3 Box 3630, Myton Utah 84052 435-646-3721		9. WELL NO. LONE TREE 7-16-9-17	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface SW/NE Section 16, T9S R17E 1980 FNL 1980 FEL		10. FIELD AND POOL, OR WILDCAT MONUMENT BUTTE	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SW/NE Section 16, T9S R17E	
14. API NUMBER 43-013-32310	15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5250 GR	12. COUNTY OR PARISH DUCHESNE	13. STATE UT

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	<input type="checkbox"/>	(OTHER) <input checked="" type="checkbox"/>	Weekly Status report
(OTHER) <input type="checkbox"/>	<input type="checkbox"/>	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17 DESCRIBE PROPOSED OR COMPLETED OPERATIONS. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

On 4-7-04. MIRU Patterson #155. Set equipment. Pressure test Bop's, Kelly, & TIW to 2,000 psi. Test 85/8" csgn to 1,500 psi. Roosevelt, SLC office was notified of test. PU BHA and tag cement @ 245'. Drill out cement & shoe. Continue to drill a 77/8" hole with fresh water to a depth of 5666'. Lay down drill string, BHA. Open hole log from TD to surface. PU & MU guide shoe, 1 jt 51/2" J-55 15.5 # csgn. Float collar, & 129 Jt's 51/2" J-55 15.5# csgn. Set @ 5669' KB. Cement with 350 sks Prem Lite II w/ 3% KCL, 10 % Gel, 5#"s sk CSE, 3#"s sk Kolseal, .8% Sms, 1/2# sks Celloflake. Mixed @ 11.0 ppg, >3.42 yld. Followed by 400 sks 50/50 Poz w/ 3% KCL, 2% Gel, .05% Static free, 1/4# sk Celloflake. Mixed @ 14.4 ppg, > 1.24 yld. Returned 5 bbl cement to pit. Nippel down BOP's. Drop slips @ 70,000 # 's tension. Clean pit's & release rig on 4-12-04 @ 10:00 pm

18 I hereby certify that the foregoing is true and correct

SIGNED *Roy Herrera* TITLE Drilling Foreman DATE 4-12-04

cc: BLM

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

* See Instructions On Reverse Side

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APR 15 2004

DIV. OF OIL, GAS & MINING

INLAND PRODUCTION COMPANY - CASING & CEMENT REPORT

5 1/2" CASING SET AT 5669.6

Flt cllr @ 5623'

LAST CASING 8 5/8" SET AT 3

OPERATOR Inland Production Company

DATUM 12.5 KB

WELL Lone Tree7-16-9-17

DATUM TO CUT OFF CASING 12.5

FIELD/PROSPECT Monument Butte

DATUM TO BRADENHEAD FLANGE

CONTRACTOR & RIG # Patterson 155

TD DRILLER 5666' LOGGER 5668'

HOLE SIZE 7 7/8"

LOG OF CASING STRING:

PIECES	OD	ITEM - MAKE - DESCRIPTION	WT / FT	GRD	THREAD	CONDT	LENGTH
		Landing Jt					
		5.8 3985' short jt					
129	5 1/2"	ETC LT & C casing	15.5#	J-55	8rd	A	5625.7
		Float collar					0.6
1	5 1/2"	ETC LT&C csg	15.5#	J-55	8rd	A	44.15
		GUIDE shoe			8rd	A	0.65

CASING INVENTORY BAL.	FEET	JTS	TOTAL LENGTH OF STRING	5671.1
TOTAL LENGTH OF STRING	5671.1	130	LESS CUT OFF PIECE	14
LESS NON CSG. ITEMS	1.25		PLUS DATUM TO T/CUT OFF CSG	12.5
PLUS FULL JTS. LEFT OUT	265.8	6	CASING SET DEPTH	5669.6

TOTAL	5935.65	136	} COMPARE
TOTAL CSG. DEL. (W/O THRDS)	5935.65	136	
TIMING	1ST STAGE	2nd STAGE	
BEGIN RUN CSG.	12:30pm		GOOD CIRC THRU JOB <u>Yes</u>
CSG. IN HOLE	3:30pm		Bbls CMT CIRC TO SURFACE <u>5bbls</u>
BEGIN CIRC	3:45pm	4:45pm	RECIPROCATED PIPE FOR <u>THRUSTROKE</u>
BEGIN PUMP CMT	4:58pm	5:31pm	DID BACK PRES. VALVE HOLD ? <u>yes</u>
BEGIN DSPL. CMT			BUMPED PLUG TO <u>1450</u> PSI
PLUG DOWN		6:19pm	

CEMENT USED		CEMENT COMPANY- <u>B. J.</u>
STAGE	# SX	CEMENT TYPE & ADDITIVES
1	350	Prem-lite II w/ 10% gel + 3 % KCL, 3#s /sk CSE + 2# sk/kolseal + 1/4#s/sk Cello Flake
		mixed @ 11.0 ppg W / 3.43 cf/sk yield
2	400	50/50 poz W/ 2% Gel + 3% KCL, .5%EC1, 1/4# sk C.F. 2% gel. 3% SM mixed @ 14.4 ppg W/ 1.24 YLD
CENTRALIZER & SCRATCHER PLACEMENT		SHOW MAKE & SPACING
Centralizers - Middle first, top second & third. Then every third collar for a total of 20.		

COMPANY REPRESENTATIVE Pat Wisener

DATE 4/12/04

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NUMBER: ML3453B
2. NAME OF OPERATOR: Inland Production Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: Route 3 Box 3630 CITY Myton STATE UT ZIP 84052		7. UNIT or CA AGREEMENT NAME: LONE TREE UNIT
4. LOCATION OF WELL: FOOTAGES AT SURFACE: 1980 FEL 1980 FNL		8. WELL NAME and NUMBER: LONE TREE UNIT 7-16-9-17
PHONE NUMBER: 435.646.3721		9. API NUMBER: 4301332310
QTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: SW/NE, 16, T9S, R17E		10. FIELD AND POOL, OR WILDCAT: Monument Butte
COUNTY: Duchesne		STATE: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLAIR
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input checked="" type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/STOP)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: - Water Disposal
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Formation water is produced to a steel storage tank. If the production water meets quality guidelines, it is transported to the Ashley, Monument Butte, Jonah, and Beluga water injection facilities by company or contract trucks. Subsequently, the produced water is injected into approved Class II wells to enhance Inland's secondary recovery project.

Water not meeting quality criteria, is disposed at Inland's Pariette #4 disposal well (Sec. 7, T9S R19E) or at State of Utah approved surface disposal facilities.

**Accepted by the
Utah Division of
Oil, Gas and Mining**

Date: 05-24-04
By: [Signature]

RECEIVED OPERATOR
DATE 5-25-04
BY C.H.D.

NAME (PLEASE) Mandie Crozier

TITLE Regulatory Specialist

SIGNATURE

[Signature: Mandie Crozier]

DATE May 20, 2004

(This space for State use only)

MAY 21 2004

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Inland Production Company

3a. Address Route 3 Box 3630

Myton, UT 84052

3b. Phone No. (include area code)

435.646.3721

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980 FEL 1980 FNL

SW/NE Section 16 T9S R17E

5. Lease Serial No.

ML3453B

6. If Indian, Allottee or Tribe Name.

7. If Unit or CA/Agreement, Name and/or No.

LONE TREE UNIT

8. Well Name and No.

LONE TREE UNIT 7-16-9-17

9. API Well No.

4301332310

10. Field and Pool, or Exploratory Area
Monument Butte

11. County or Parish, State

Duchesne, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug & Abandon	<input type="checkbox"/> Temporarily Abandon	Weekly Status Report
	<input type="checkbox"/> Convert to Injector	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work was performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation requires multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Status report for time period 7/25/03 - 4/30/04

Subject well had completion procedures initiated in the Green River formation on 7/25/03 without the use of a service rig over the well. A cement bond log was run and a total of seven Green River intervals were perforated and hydraulically fracture treated w/ 20/40 mesh sand. Perf intervals were #1 (5571'-5578') & (5534'-5541') (All 4 JSPF); #2 (5316'-5324') & (5290'-5294') & (5269'-5286') (All 4 JSPF); #3 (4483'-4492') (4 JSPF); #4 (3393'-3941') (4 JSPF). Composite flow-through frac plugs were used between stages. Fracs were flowed back through chokes. A service rig was moved on well on 4/22/04. Bridge plugs were drilled out. Well was cleaned out to PBTD @ 5625'. Zones were swab tested for sand cleanup. A BHA & production tubing string were run in and anchored in well. End of tubing string @ 5554.35'. A new 1 1/2" bore rod pump was run in well on sucker rods. Well was placed on production via rod pump on 4/30/04.

RECEIVED

MAY 26 2004

DIV. OF OIL, GAS & MINING

I hereby certify that the foregoing is true and correct

Name (Printed/ Typed)

Jodi Wyatt

Title

Production Clerk

Signature

Date

5/25/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious and fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on reverse)

Inland Resources Inc.

May 28, 2004

State of Utah, Division of Oil, Gas and Mining
Attn: Ms. Carol Daniels
P.O. Box 145801
Salt Lake City, Utah 84144-5801

Attn: Ms. Carol Daniels

Lonetree 2-16-9-17 (43-013-32309)
Duchesne County, Utah

Lonetree 7-16-9-17 (43-013-32310)
Duchesne County, Utah

Dear Ms. Carol Daniels

Enclosed is a Well Completion or Recompletion Report and Log form (Form 3160-4). We are no longer sending Log copies since Pat Grissom of Phoenix Surveys is already doing so.

If you should have any questions, please contact me at (303) 382-4449.

Sincerely,



Brian Harris
Engineering Tech

Enclosures

cc: Bureau of Land Management
Vernal District Office, Division of Minerals
Attn: Edwin I. Forsman
170 South 500 East
Vernal, Utah 84078

Well File – Denver
Well File – Roosevelt
Patsy Barreau/Denver
Bob Jewett/Denver
Matt Richmond/Roosevelt

RECEIVED
JUN 02 2004
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WORK

OIL
WELL ☒GAS
WELL ☐DRY ☐

Other _____

1b. TYPE OF WELL

NEW
WELL ☒WORK
OVER ☐DEEPEN ☐PLUG
BACK ☐DIFF
RESVR. ☐

Other _____

2. NAME OF OPERATOR

INLAND RESOURCES INC.

3. ADDRESS AND TELEPHONE NO.

1401 17th St. Suite 1000 Denver, CO 80202

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)*

At Surface

1980' FNL & 1980' FEL (SW NE) Sec. 16, T9S, R17E

At top prod. Interval reported below

At total depth

14. API NO.

43-013-32310

DATE ISSUED

11/5/2001

12. COUNTY OR PARISH

Duchesne

13. STATE

UT

15. DATE SPUDDED
7/25/200316. DATE T.D. REACHED
4/12/200417. DATE COMPL. (Ready to prod.)
4/30/200418. ELEVATIONS (DF, RKB, RT, GR, ETC.)*
5250' GL

5262' KB

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

5666'

21. PLUG BACK T.D., MD & TVD

5625'

22. IF MULTIPLE COMPL.,
HOW MANY*23. INTERVALS
DRILLED BY
----->

ROTARY TOOLS

X

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*

Green River 3933'-5578'

25. WAS DIRECTIONAL
SURVEY MADE
No

26. TYPE ELECTRIC AND OTHER LOGS RUN

DIGL/SP/CDL/GR/Cal (CBL)

27. WAS WELL CORED
No

23. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8" - J-55	24#	312'	12-1/4"	To surface with 150 sx Class "G" cmt	
5-1/2" - J-55	15.5#	5669'	7-7/8"	350 sxs Premlite II & 400 sxs 50/50 POZ	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-7/8"	EOT @ 5554'	TA @ 5452'

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	SPF/NUMBER	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
(CP5) 5534'-5541', 5571'-5578'	.038"	4/56	5534'-5578'	Frac w/ 29,806# 20/40 sand in 318 bbls. fluid.
(CP1,2) 5269-86', 5290-94', 5316-24'	.038"	4/116	5269'-5324'	Frac w/ 84,981# 20/40 sand in 621 bbls. fluid.
(D2) 4483'-4492'	.038"	4/36	4483'-4492'	Frac w/ 39,966# 20/40 sand in 355 bbls. fluid.
(GB4) 3933'-3941'	.038"	4/32	3933'-3941'	Frac w/ 21,877# 20/40 sand in 224 bbls. fluid.

33.* PRODUCTION

DATE FIRST PRODUCTION 4/30/2004	PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)					WELL STATUS (Producing or shut-in) Producing	
DATE OF TEST 10 day ave	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD ----->	OIL--BBLs. 23	GAS--MCF. 10	WATER--BBL. 128	GAS-OIL RATIO 435
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE ----->	OIL--BBL.	GAS--MCF.	WATER--BBL.	OIL GRAVITY-API (CORR.)	

34. DISPOSITION OF GAS (Solid, used for fuel, vented, etc.)

Sold & Used for Fuel

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

Brian Harris

TITLE

Engineering Technician

DATE

5/28/2004

BDH

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries);

FORMATION		TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	38. GEOLOGIC MARKERS		
					NAME	MEAS. DEPTH	TRUE VERT. DEPTH
				Well Name Lonetree 7-16-9-17	Garden Gulch Mkr	3433'	
					Garden Gulch 1	3631'	
					Garden Gulch 2	3740'	
					Point 3 Mkr	4012'	
					X Mkr	4243'	
					Y-Mkr	4276'	
					Douglas Creek Mkr	4401'	
					BiCarbonate Mkr	4631'	
					B Limestone Mkr	4748'	
					Castle Peak	5218'	
					Basal Carbonate	5646'	
					Total Depth (LOGGERS)	5666'	



Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the attached is a true and correct copy of each document on file in this office as described below:

Newfield Production Company
Filing Number: 41530400

Articles of Amendment

September 02, 2004

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on September 10, 2004.



A handwritten signature in black ink, appearing to read "G. Connor".

Secretary of State

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
INLAND PRODUCTION COMPANY

FILED
In the Office of the
Secretary of State of Texas
SEP 02 2004
Corporations Section

Pursuant to the provisions of Article 4.04 of the Texas Business Corporation Act (the "TBCA"), the undersigned corporation adopts the following articles of amendment to the articles of incorporation:

ARTICLE 1 – Name

The name of the corporation is Inland Production Company.

ARTICLE 2 – Amended Name

The following amendment to the Articles of Incorporation was approved by the Board of Directors and adopted by the shareholders of the corporation on August 27, 2004.

The amendment alters or changes Article One of the Articles of Incorporation to change the name of the corporation so that, as amended, Article One shall read in its entirety as follows:

"ARTICLE ONE – The name of the corporation is Newfield Production Company."

ARTICLE 3 – Effective Date of Filing

This document will become effective upon filing.

The holder of all of the shares outstanding and entitled to vote on said amendment has signed a consent in writing pursuant to Article 9.10 of the TBCA, adopting said amendment, and any written notice required has been given.

IN WITNESS WHEREOF, the undersigned corporation has executed these Articles of Amendment as of the 1st day of September, 2004.

INLAND RESOURCES INC.

By: Susan G. Riggs
Susan G. Riggs, Treasurer

3. FILE

Designation of Agent/Operator

Merger

9/1/2004

Phone: 1-(435) 646-3721

LONE TREE (GREEN RIVER)

[illegible]

5. If **NO**, the operator was contacted contacted on:

6a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
6b. Inspections of LA PA state/fee well sites complete on: waived

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: na/

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 2/23/2005

DATA ENTRY:

1. Changes entered in the Oil and Gas Database on: 2/28/2005
2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 2/28/2005
3. Bond information entered in RBDMS on: 2/28/2005
4. Fee/State wells attached to bond in RBDMS on: 2/28/2005
5. Injection Projects to new operator in RBDMS on: 2/28/2005
6. Receipt of Acceptance of Drilling Procedures for APD/New on: waived

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UT 0056

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: 61BSBDH2912

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The NEW operator of any fee well(s) listed covered by Bond Number 61BSBDH2919
2. The FORMER operator has requested a release of liability from their bond on: n/a*
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The FORMER operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

*Bond rider changed operator name from Inland Production Company to Newfield Production Company - received 2/23/05



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
999 18TH STREET - SUITE 200
DENVER, CO 80202-2466
Phone 800-227-8917
<http://www.epa.gov/region08>

OCT - 6 2006

Ref: 8P-W-GW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

David Gerbig
Operations Engineer
Newfield Production Company
1401 Seventeenth Street - Suite 1000
Denver, CO 80202

43-013-32316

9S 17E 16

RE: Additional Well to Lone Tree Area Permit
UIC Permit No. UT20853-00000
Well ID: UT20853-06852
Lone Tree No. 7-16-9-17
Duchesne County, Utah

Dear Mr. Gerbig:

The Newfield Production Company (Newfield) request to convert the Lone Tree No. 7-16-9-17 to a Green River Formation enhanced recovery injection well is hereby authorized by the Environmental Protection Agency (EPA) under the terms and conditions of this Authorization For Additional Well.

The addition of the Lone Tree No. 7-16-9-17, within the exterior boundary of the Uintah & Ouray Indian Reservation, is being made under the authority of 40 Code of Federal Regulations (CFR) §144.33 (c) and terms of the Lone Tree Area Permit, Underground Injection Control (UIC) Area Permit No. UT20853-00000, and subsequent modifications. Unless specifically mentioned in the enclosed Authorization For Additional Well, the Lone Tree No. 7-16-9-17 is subject to all terms and conditions of the UIC Area Permit UT20853-00000 as modified.

RECEIVED

OCT 12 2006

DIV. OF OIL, GAS & MINING



Printed on Recycled Paper

Please be aware that Newfield does not have authorization to begin injection operations into the well until all Prior to Commencing Injection requirements have been submitted and evaluated by the EPA, and Newfield has received written authorization from the Director to begin injection. Please note that the Permit limits injection to the gross interval within the Green River Formation between the depths of 3433 feet and the top of the Wasatch Formation, estimated to be 5770 feet.

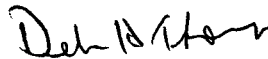
Prior to receiving authorization to inject, the EPA requires that Newfield submit for review and approval the following: (1) the results of a **Part I (Internal) mechanical integrity test (MIT)**, (2) a **pore pressure** calculation of the injection interval, (3) and a completed **EPA Form No. 7520-12** (Well Rework Record) with a new schematic diagram.

Within a 180-day Limited Authorization to Inject period, the permittee will submit the results of a successful Part II (External) MIT.

The initial Maximum Allowable Injection Pressure (MAIP) for the Lone Tree No. 17-16-9-17 was determined to be **1435 psig**. UIC Area Permit UT20853-00000 also provides the opportunity for the permittee to request a change in the MAIP based upon results of a Step-Rate Test that demonstrates that the formation breakdown pressure will not be exceeded.

If you have any questions, please call Emmett Schmitz at (303) 312-6174 or 1-800-227-8917 (Ext. 6174). Please submit the required data to the **ATTENTION: EMMETT SCHMITZ** at the letterhead address citing **MAIL CODE: 8P-W-GW** very prominently.

Sincerely,



for Stephen S. Tuber
Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

encl: Authorization For Conversion of An Additional Well
EPA Form No. 7520-12 (Well Rework Record)
Schematic Diagram: Lone Tree No. 7-16-9-17
Ground Water Section Guidance No. 37 (Part II External MIT)
Ground Water Section Guidance No. 39 (Part I Internal MIT)

cc: without enclosures

Maxine Natchees
Acting Chairperson
Uintah & Ouray Business Committee
Ute Indian Tribe

Chester Mills
Superintendent
U.S. Bureau of Indian Affairs
Uintah & Ouray Indian Agency

cc: with enclosures

Lynn Becker
Director
Energy & Minerals Dept.
Ute Indian Tribe

S. Elaine Willie
Environmental Coordinator
Ute Indian Tribe

Michael Guinn
Vice President - Operations
Newfield Production Company
Myton, UT 84052

Gilbert Hunt
Associate Director
State of Utah
Division of Oil, Gas, and Mining

Fluid Minerals Engineering Office
U.S. Bureau of Land Management
Vernal, Utah



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
999 18TH STREET - SUITE 200
DENVER, CO 80202-2466
Phone 800-227-8917
<http://www.epa.gov/region08>

AUTHORIZATION FOR ADDITIONAL WELL

UNDERGROUND INJECTION CONTROL (UIC) AREA PERMIT NO: UT20853-00000

The Final UIC Castle Draw Area Permit No. UT20853-00000, effective September 1, 1998, authorized enhanced recovery injection into the Garden Gulch and Douglas Creek Members of the Green River Formation. A Major Permit Modification No. 1, effective September 9, 2003, authorized injection for the purpose of enhanced oil recovery into multiple lenticular sand and carbonate units which are distributed throughout the Garden Gulch-Douglas Creek- Basal Carbonate Members of the Green River Formation. On June 20, 2005, the permittee provided notice to the Director concerning the following additional enhanced recovery injection well:

Well Name: Lone Tree No. 7-16-9-17
EPA Well ID Number: UT20853-06852
Location: 1980 ft FNL & 1980 ft FEL
SW NE Sec. 16 - T9S - R17E
Duchesne County, Utah.

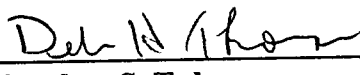
**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

Pursuant to 40 Code of Federal Regulations (CFR) §144.33, UIC Lone Tree Area Permit No. UT20853-00000 authorizes the permittee to construct and operate, convert, or plug and abandon additional enhanced recovery injection wells within the Area Permit. This well was determined to satisfy additional well criteria required by the Permit.

This well is subject to all provisions of UIC Area Permit No. UT20853-00000, as modified and as specified in the Well Specific Requirements detailed below. This Authorization shall expire one year after the Effective Date unless the permittee has converted the well to injection or submits a written request to extend this Authorization prior to the expiration date.

This Authorization is effective upon signature.

Date: _____


for **Stephen S. Tuber**
*Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

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OCT 12 2006

DIV. OF OIL, GAS & MINING

* The person holding this title is referred to as the Director throughout the Permit and Authorization



WELL-SPECIFIC REQUIREMENTS

Well Name: **Lone Tree No. 7-16-9-17**
EPA Well ID Number: **UT20853-06852**

Prior to commencing injection operations, the permittee shall submit the following information and receive written Authority to Inject from the Director: (II. C. Condition 2).

1. a successful Part I (Internal) Mechanical Integrity Test (MIT);
2. pore pressure calculation of the proposed injection zone;
3. completed Well Rework Record (EPA Form No. 7520-12) and schematic diagram.

Approved Injection Zone: **(II. C. Condition C. 4)**

Injection is approved between the top of the Green River Formation Garden Gulch Member (3433 feet) and the top of the Wasatch Formation (Estimated 5770 feet).

The Permittee has cited both Garden Gulch and Douglas Creek Members perforations proposed for enhanced recovery injection, i.e., gross 3933 feet - 5578 feet. The permittee is also authorized to perforate any additional intervals for enhanced recovery injection between the top of the Garden Gulch Member and the top of the Wasatch Formation during well conversion and/or rework.

Determination of a Fracture Gradient: **(II. C. Condition 5. b. 1.).**

"Using sand fracture treatment data, the EPA will calculate the Maximum Allowable Injection Pressure (MAIP) for each treated (sand-frac) interval using the instantaneous shut-in pressure (ISIP) from that interval. The minimum injection pressure calculated shall be the initial maximum allowable injection pressure limit for that well."

Of the four (4) sand/frac treatments conducted on the Lone Tree No. 7-16-9-17, the minimum calculated fracture gradient (FG) is 0.80 psi/ft; a value in accord with an FG derived from a Step-Rate Test (SRT) in an offset injection well.

Maximum Allowable Injection Pressure (MAIP): **(II. C. Condition 5).**

The initial MAIP is **1435 psig**, based on the following calculation and a cited "top perforation":

$$\begin{aligned}\text{MAIP} &= [\text{FG} - (0.433)(\text{SG})] \text{ D, where} \\ \text{FG} &= 0.80 \text{ psi/ft} \\ \text{SG} &= 1.005 \\ \text{D} &= 3933 \text{ ft (Top perforation depth)}\end{aligned}$$

$$\text{MAIP} = 1434 \text{ psig, but increased to } \mathbf{1435 \text{ psig.}}$$

UIC Area Permit No. UT20853-00000 also provides the opportunity for the permittee to request a change of the MAIP based upon results of a Step-Rate Test that demonstrates the formation breakdown pressure will not be exceeded.

Well Construction and Corrective Action:

(II. A).

Corrective Action is required. The permittee shall be required to conduct a Part II (External) Mechanical Integrity Test (MIT) within a 180-day period following commencement of injection. No 80% bond index cement bond is recognized in the annulus across the Confining Zone.

Tubing and Packer:

(II. A. Condition 3).

2-7/8" injection tubing is approved. The packer shall be set at a depth no more than 100 ft above the top perforation.

Corrective Action for Wells in Area of Review: **No Corrective Action is required.** The following Green River oil wells within or proximate to a one-quarter (1/4) mile radius around the Lone Tree No. 7-16-9-17 were evaluated to determine if any corrective action is necessary to prevent fluid movement into USDWs. Other than a weekly inspection of each location for surface injectate leakage, no corrective action is required.

Lone Tree 8-16-9-17	SE NE Section 16 - T9S - R17E
Lone Tree 2-16-9-17	NW NE Section 16 - T9S - R17E
Lone Tree 10-16-9-17	NW SE Section 16 - T9S - R17E
Balcron Monument Federal 22-16-9-17B	SE NW Section 16 - T9S - R17E

Demonstration of Mechanical Integrity:

(II. C. Condition 3).

A successful demonstration of Part I (Internal) Mechanical Integrity Test using a standard Casing-Tubing pressure test is required prior to injection and each at least once every five (5) years thereafter.

As the EPA is not able to establish an effective cement barrier to significant upward movement of fluids through vertical channels adjacent to the Confining Zone, pursuant to 40 CFR 146.8 (a)(2), the permittee shall conduct a Part II (External) Mechanical Integrity Test within a 180-day period of "Limited Authorization to Inject", and at least once every five (5) years thereafter.

The Part II (External) Mechanical Integrity will be successfully demonstrated within a 180-day Limited Authorization to Inject period, which will begin on the date that injection began.

Demonstration of Financial Responsibility:

(II. F. Condition 1).

The applicant has demonstrated financial responsibility via an Annual Statement that has been reviewed and approved by the EPA. The Plugging and Abandonment cost has been estimated by the permittee to be \$33,500.

(II. E. Condition 2).

Plugging and Abandonment:

The well shall be plugged in a manner that isolates the injection zone and prevents movement of fluids into or between USDWs. Tubing, packers, and any downhole apparatus shall be removed. Class A, C, G, and H cements, with additives such as accelerators and retarders that control or enhance cement properties, may be used for plugs. However, volume

shall be removed. Class A, C, G, and H cements, with additives such as accelerators and retarders that control or enhance cement properties, may be used for plugs. However, volume extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.2 lb/gal shall be placed between all plugs. Within sixty (60) days after plugging, the owner or operator shall submit Plugging Record (EPA Form 7520-13) to the Director. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. At a minimum, the following plugs are required:

PLUG NO. 1: Set a cast iron bridge plug (CIBP) at 3838 feet. Place at least fifty (50) feet of cement plug on top of the CIBP.

PLUG NO. 2: Set a cement plug inside of the 5-1/2" casing from 1900 feet to 2200 feet across the top of the Green River Formation, and a known water zone,

PLUG NO. 3: Circulate Class "G" cement down the 5-1/2 inch casing to 362 feet, and up the 5-1/2 inch X 8-5/8 inch casings annulus to the surface.

Cut off surface and 5-1/2" casing at least 4 ft below ground level. Set P&A marker. Submit Sundry Notices and all necessary data as required by the EPA and other regulatory agencies.

Reporting of Noncompliance:

(III. E.)

- (a) Anticipated Noncompliance. The operator shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
- (b) Compliance Schedules. Reports of compliance or noncompliance with, or any progress on, interim and final requirements contained in any compliance schedule of this Permit shall be submitted no later than thirty (30) days following each schedule date.
- (c) Written Notice of any noncompliance which may endanger health or the environment shall be reported to the Director within five (5) days of the time the operator becomes aware of the noncompliance. The written notice shall contain a description of the noncompliance and its cause; the period of noncompliance including dates and times; if the noncompliance has not been corrected the anticipated time it is expected to continue; and steps taken or planned to prevent or reduce recurrence of the noncompliance.

Twenty-Four Hour Noncompliance Reporting:

(II. E.).

The operator shall report to the Director any noncompliance which may endanger health or environment. Information shall be provided, either orally or by leaving a message, within twenty-four (24) hours from the time the operator becomes aware of the circumstances by telephoning 1.800.227-8917 and asking for the EPA Region 8 UIC Program Compliance and Enforcement Director, or by contacting the Region 8 Emergency Operations Center at 303.293.1788 if calling from outside EPA Region 8. The following information shall be included in the verbal report:

- (a) Any monitoring or other information which indicates that any contaminant may cause an endangerment to a USDW.
- (b) Any noncompliance with a Permit condition or malfunction of the injection system which may cause fluid migration into or between underground sources of drinking water.

Oil Spill and Chemical Release Reporting:

(II. E.).

The operator shall comply with all other reporting requirements related to oil spills and chemical releases or other potential impacts to human health or the environment by contacting the **National Response Center (NRC) 1.800.424.8802 or 202.267.2675**, or through the NRC website at **<http://www.nrc.uscg.mil/index.htm>**.

Other Noncompliance:

(II. E.).

The operator shall report all other instances of noncompliance not otherwise reported at the time monitoring reports are submitted.

Other Information:

(II. E.)

Where the operator becomes aware that he failed to submit any relevant facts in the Permit application, or submitted incorrect information in a Permit application, or in any report to the Director, the operator shall submit such correct facts or information within two (2) weeks of the time such information became known to him.

WELL-SPECIFIC CONSIDERATIONS

Well Name: **Lone Tree No. 7-16-9-17**

EPA Well ID Number: **UT20853-06852**

Current Status: The Lone Tree No. 7-16-9-17 is a Garden Gulch and Douglas Creek Members oil well currently waiting on EPA authorization to complete/convert to a Class II Green River Formation enhanced recovery injection well.

Underground Sources of Drinking Water (USDWs): USDWs in the Castle Draw Area Permit generally occur within the Uinta Formation. According to the "*Base of Moderately Saline Ground Water in the Uinta Basin, Utah, State of Utah Technical Publication No. 92,*" the base of moderately saline ground water may be found at approximately 250 feet below ground surface.

<http://NRWRT1.NR.STATE.UT.US>: **(Water Rights...Queries...POD)**. Within the one-quarter (1/4) mile Area-of-Review (AOR) around the Lone Tree No. 7-16-9-17 there are no reservoirs, streams, springs, domestic or agricultural water wells.

Composition of Injectate and Formation Water: (Total Dissolved Solids [TDS])

- TDS of Douglas Creek Member - Green River Formation water: **5936 mg/l** (Analysis: 5/12/05).
- TDS of Johnson Water District Reservoir: **674 mg/l** (Analysis: 1/10/05)
- TDS blended injectate: **3933 mg/l**. Blended at pump facility with Source Water and Unit produced water (Analysis 5/12/05). The TDS of the blended injectate is less than the TDS of the authorized injection interval.

Confining Zone:

The Confining Zone is fifty-one (51) feet of shale between the depths of 3382 feet and 3433 feet (KB) which directly overlies the Garden Gulch Member of the Green River Formation.

Injection Zone:

(II. C. 4.)

The Injection Zone is an approximate 2337-foot section of multiple lenticular sand units interbedded with shale, marlstone and limestone from the top of the Garden Gulch Member at 3433 ft (KB) to the top of the Wasatch Formation (estimated to be 5770 feet KB). All formation and formation Member tops are based on correlation to the Federal No.1-26-8-17 Type Log (UT20702-04671).

Well Construction:

(II. A. 1.).

There is no 80% bond index cement bond across the Confining Zone annulus.

Surface Casing: 8-5/8" casing is set at 312 (KB) in a 12-1/4" hole, using 150 sacks of cement which was circulated to the surface.

Longstring: 5-1/2" casing is set at 5669 feet (KB) in a 7-7/8" hole and secured with 750 sacks of cement. Calculated top of cement (TOC) by EPA: 810 feet.

Perforations: Gross Perforations: 3933 feet to 5578 feet.

Step-Rate Test (SRT):

(II. C. 2. d.).

A Step-Rate Test may be required to confirm that the initial maximum authorized injection pressure (MAIP), based on sand/frac treatments, is appropriate to ensure that pressure during injection will not initiate new fractures or propagate existing fractures in the confining zone.

Wells in Area of Review (AOR):

The permittee shall observe the surface location of all wells within the one-quarter (1/4) mile AOR on a weekly basis. Should injectate contamination be observed at the surface, the permittee shall immediately suspend injection into the Lone Tree No.7-16-9-17. The Lone Tree No. 7-16-9-17 will stay suspended until the noncompliance has been resolved. Renewed injection shall be authorized by letter from the Director.



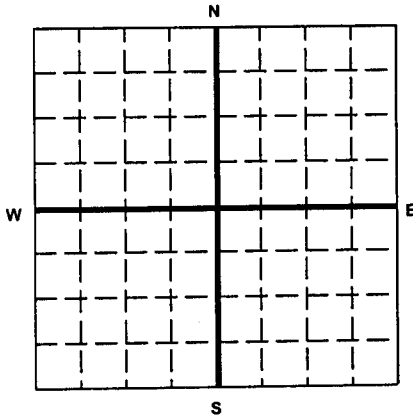
United States Environmental Protection Agency
Washington, DC 20460

WELL REWORK RECORD

Name and Address of Permittee

Name and Address of Contractor

Locate Well and Outline Unit on
Section Plat - 640 Acres



State

County

Permit Number

Surface Location Description

____ 1/4 of ____ 1/4 of ____ 1/4 of ____ 1/4 of Section ____ Township ____ Range ____

Locate well in two directions from nearest lines of quarter section and drilling unit

Surface

Location ____ ft. frm (N/S) ____ Line of quarter section

and ____ ft. from (E/W) ____ Line of quarter section.

WELL ACTIVITY

- ☐ Brine Disposal
☐ Enhanced Recovery
☐ Hydrocarbon Storage

Lease Name

Total Depth Before Rework

Total Depth After Rework

Date Rework Commenced

Date Rework Completed

TYPE OF PERMIT

- ☐ Individual
☐ Area

Number of Wells ____

Well Number

WELL CASING RECORD -- BEFORE REWORK

Casing		Cement		Perforations		Acid or Fracture Treatment Record
Size	Depth	Sacks	Type	From	To	

WELL CASING RECORD -- AFTER REWORK (Indicate Additions and Changes Only)

Casing		Cement		Perforations		Acid or Fracture Treatment Record
Size	Depth	Sacks	Type	From	To	

DESCRIBE REWORK OPERATIONS IN DETAIL
USE ADDITIONAL SHEETS IF NECESSARY

WIRE LINE LOGS, LIST EACH TYPE

Log Types

Logged Intervals

Certification

I certify under the penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32)

Name and Official Title (Please type or print)

Signature

Date Signed

Lone Tree 7-16-9-17

Spud Date: 7/25/03

Put on Production: 4/30/04

GL: 5250' KB: 5262'

SURFACE CASING

CSG SIZE: 8-5/8"

GRADE: J-55

WEIGHT: 24#

LENGTH: 7 jts. (302.32')

DEPTH LANDED: 312.32' KB

HOLE SIZE: 12-1/4"

CEMENT DATA: 150sxs Glass "G" mixed cmt, est 5.5 bbls cmt to surf

TOC/EPA

PRODUCTION CASING

CSG SIZE: 5-1/2"

GRADE: J-55

WEIGHT: 15.5#

LENGTH: 130 jts. (5671.1')

DEPTH LANDED: 5669.6' KB

HOLE SIZE: 7 7/8"

CEMENT DATA: 350 sxs Prem. Lite II mixed & 400 sxs 50/50 POZ mix.

CEMENT TOP AT:

TUBING

SIZE/GRADE/WT.: 2-7/8" / J-55 / 6.5#

NO. OF JOINTS: 168 jts (5440.13')

TUBING ANCHOR: 5452.63' KB

NO. OF JOINTS: 1 jt (32.45')

SEATING NIPPLE: 2-7/8" (1.10')

SN LANDED AT: 5487.88' KB

NO. OF JOINTS: 2 jts (64.92')

TOTAL STRING LENGTH: EOT @ 5554.5' w/ 12.5' KB

Proposed Injection Wellbore Diagram

FRAC JOB

4/26/04 5534'-5578'

Frac CP5 sands as follows:
29,806# 20/40 sand in 318 bbls lightning Frac
17 fluid. Treated @ avg press of 1905 psi
w/avg rate of 24.8 BPM. ISIP 2050 psi. Calc
flush: 5532 gal. Actual flush: 4775 gal.

4/26/04 5269'-5324'

Frac CP2 and 1 sands as follows:
84,981# 20/40 sand in 621 bbls lightning Frac
17 fluid. Treated @ avg press of 1775 psi
w/avg rate of 24.7 BPM. ISIP 1950 psi. Calc
flush: 5267 gal. Actual flush: 5183 gal.

4/26/04 4483'-4492'

Frac D2 sands as follows:
39,966# 20/40 sand in 355 bbls lightning Frac
17 fluid. Treated @ avg press of 2180 psi
w/avg rate of 24.6 BPM. ISIP 2200 psi. Calc
flush: 4481 gal. Actual flush: 4481 gal.

4/26/04 3933'-3941'

Frac CB4 sands as follows:
21,877# 20/40 sand in 224 bbls lightning Frac
17 fluid. Treated @ avg press of 2290 psi
w/avg rate of 24.8 BPM. ISIP 2120 psi. Calc
flush: 3931 gal. Actual flush: 3931 gal.

-1945' Green River

*-3382 - 3433 Confining Zone
-3433' Garden Gulch*

Packer @ 3898'

3933'-3941'

-4401' Douglas Cr

4483'-4492'

5269'-5286'

5290'-5294'

5316'-5324'

5534'-5541'

5571'-5578'

Top of Fill & PBD @ 5625'

-5646' Base Carbonate

SHOE & TD @ 5669'

5710' Est. Washatch

PERFORATION RECORD

4/23/04	5571'-5578'	4 JSPP	28 holes
4/23/04	5534'-5541'	4 JSPP	28 holes
4/26/04	5316'-5324'	4 JSPP	32 holes
4/26/04	5290'-5294'	4 JSPP	16 holes
4/26/04	5269'-5286'	4 JSPP	68 holes
4/26/04	4483'-4492'	4 JSPP	36 holes
4/26/04	3933'-3941'	4 JSPP	32 holes

NEWFIELD

Lone Tree 7-16-9-17

1980' FNL & 1980' FEL

SW/NE Section 16, T9S, R17E

Duchesne County, Utah

API #43-013-32310; Lease #ML-3453B

MC 5/24/05



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

999 18th STREET - SUITE 300
DENVER, COLORADO 80202-2466

SUBJECT: GROUND WATER SECTION GUIDANCE NO. 37
Demonstrating Part II (external) Mechanical Integrity
for a Class II injection well permit.

FROM: Tom Pike, Chief
UIC Direct Implementation Section

TO: All Section Staff
Montana Operations Office

During the review for a Class II injection well permit, consideration must be given to the mechanical integrity (MI) of the well. MI demonstrates that the well is in sound condition and that the well is constructed in a manner that prevents injected fluids from entering any formation other than the authorized injection formation.

A demonstration of MI is a two part process:

PART I - INTERNAL MECHANICAL INTEGRITY is an assurance that there are no significant leaks in the casing/tubing/packer system.

PART II - EXTERNAL MECHANICAL INTEGRITY demonstrates that after fluid is injected into the formation, the injected fluids will not migrate out of the authorized injection interval through vertical channels adjacent to the wellbore.

A Class II injection well may demonstrate Part II MI by showing that injected fluids remain within the authorized injection interval. This may be accomplished as follows:

- 1) Cement bond log showing 80% bond through the an appropriate interval (Section Guidance 34),
- 2) Radioactive tracer survey conducted according to a EPA-approved procedure, or
- 3) Temperature survey conducted according to a EPA-approved procedure (Section Guidance 38).

For each test option above, the operator of the injection well should submit a plan for conducting the test. The plan will then be approved (or modified and approved) by EPA. EPA's pre-approval of the testing method will assure the operator that the

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program, UIC Direct Implementation Program 8P-W-GW
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: ____/____/____
Test conducted by: _____
Others present: _____

Well Name: _____	Type: ER SWD	Status: AC TA UC
Field: _____		
Location: _____	Sec: _____ T _____ N/S R _____ E/W	County: _____ State: _____
Operator: _____		
Last MIT: ____/____/____	Maximum Allowable Pressure: _____	PSIG

Is this a regularly scheduled test? ☐ Yes ☐ No

Initial test for permit? ☐ Yes ☐ No

Test after well rework? ☐ Yes ☐ No

Well injecting during test? ☐ Yes ☐ No If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: _____ psig

MIT DATA TABLE		Test #1	Test #2	Test #3
TUBING PRESSURE				
Initial Pressure	psig	psig	psig	psig
End of test pressure	psig	psig	psig	psig
CASING / TUBING ANNULUS PRESSURE				
0 minutes	psig	psig	psig	psig
5 minutes	psig	psig	psig	psig
10 minutes	psig	psig	psig	psig
15 minutes	psig	psig	psig	psig
20 minutes	psig	psig	psig	psig
25 minutes	psig	psig	psig	psig
30 minutes	psig	psig	psig	psig
minutes	psig	psig	psig	psig
minutes	psig	psig	psig	psig
RESULT	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail

Does the annulus pressure build back up after the test? ☐ Yes ☐ No



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

999 18th STREET - SUITE 500

DENVER, COLORADO 80202-2466

SUBJECT: GROUND WATER SECTION GUIDANCE NO. 39
Pressure testing injection wells for Part I (internal)
Mechanical Integrity

FROM: Tom Pike, Chief
UIC Direct Implementation Section

TO: All Section Staff
Montana Operations Office

Introduction

The Underground Injection Control (UIC) regulations require that an injection well have mechanical integrity at all times (40 CFR 144.28 (f)(2) and 40 CFR 144.51 (q)(1)). A well has mechanical integrity (40 CFR 146.8) if:

- (1) There is no significant leak in the tubing, casing or packer; and
- (2) There is no significant fluid movement into an underground source of drinking water (USDW) through vertical channels adjacent to the injection wellbore.

Definition: Mechanical Integrity Pressure Test for Part I. A pressure test used to determine the integrity of all the downhole components of an injection well, usually tubing, casing and packer. It is also used to test tubing cemented in the hole by using a tubing plug or retrievable packer. Pressure tests must be run at least once every five years. If for any reason the tubing/packer is pulled, the injection well is required to pass another mechanical integrity test of the tubing casing and packer prior to recommencing injection regardless of when the last test was conducted. Tests run by operators in the absence of an EPA inspector must be conducted according to these procedures and recorded on either the attached form or an equivalent form containing the necessary information. A pressure recording chart documenting the actual annulus test pressures must be attached to the form.

This guidance addresses making a determination of Part I of Mechanical Integrity (no leaks in the tubing, casing or packer). The Region's policy is: 1) to determine if there are significant leaks in the tubing, casing or packer; 2) to assure that the casing can withstand pressure similar to that which

would be applied if the tubing or packer fails; 3) to make the Region's test procedure consistent with the procedures utilized by other Region VIII Primacy programs; and 4) to provide a procedure which can be easily administered and is applicable to all class I and II wells. Although there are several methods allowed for determining mechanical integrity, the principal method involves running a pressure test of the tubing/casing annulus. Region VIII's procedure for running a pressure test is intended to aid UIC field inspectors who witness pressure tests for the purpose of demonstrating that a well has Part I of Mechanical Integrity. The guidance is also intended as a means of informing operators of the procedures required for conducting the test in the absence of an EPA inspector.

Pressure Test Description

Test Frequency

The mechanical integrity of an injection well must be maintained at all times. Mechanical integrity pressure tests are required at least every five (5) years. If for any reason the tubing/packer is pulled, however, the injection well is required to pass another mechanical integrity test prior to recommencing injection regardless of when the last test was conducted. The Regional UIC program must be notified of the workover and the proposed date of the pressure test. The well's test cycle would then start from the date of the new test if the well passes the test and documentation is adequate. Tests may be required on a more frequent basis depending on the nature of the injectate and the construction of the well (see Section guidance on MITs for wells with cemented tubing and regulations for Class I wells).

Region VIII's criteria for well testing frequency is as follows:

1. Class I hazardous waste injection wells; initially [40 CFR 146.68(d)(1)] and annually thereafter;
2. Class I non-hazardous waste injection wells; initially and every two (2) years thereafter, except for old permits (such as the disposal wells at carbon dioxide extraction plants which require a test at least every five years);
3. Class II wells with tubing, casing and packer; initially and at least every five (5) years thereafter;
4. Class II wells with tubing cemented in the hole; initially and every one (1) or two (2) years thereafter

depending on well specific conditions (See Region VIII UIC Section Guidance #36);

5. Class II wells which have been temporarily abandoned (TAd) must be pressure tested after being shut-in for two years; and
6. Class III uranium extraction wells; initially.

Test Pressure

To assure that the test pressure will detect significant leaks and that the casing is subjected to pressure similar to that which would be applied if the tubing or packer fails, the tubing/casing annulus should be tested at a pressure equal to the maximum allowed injection pressure or 1000 psig whichever is less. The annular test pressure must, however, have a difference of at least 200 psig either greater or less than the injection tubing pressure. Wells which inject at pressures of less than 300 psig must test at a minimum pressure of 300 psig, and the pressure difference between the annulus and the injection tubing must be at least 200 psi.

Test Criteria

1. The duration of the pressure test is 30 minutes.
2. Both the annulus and tubing pressures should be monitored and recorded every five (5) minutes.
3. If there is a pressure change of 10 percent or more from the initial test pressure during the 30 minute duration, the well has failed to demonstrate mechanical integrity and should be shut-in until it is repaired or plugged.
4. A pressure change of 10 percent or more is considered significant. If there is no significant pressure change in 30 minutes from the time that the pressure source is disconnected from the annulus, the test may be completed as passed.

Recordkeeping and Reporting

The test results must be recorded on the attached form. The annulus pressure should be recorded at five (5) minute intervals. Tests run by operators in the absence of an EPA inspector must be conducted according to these procedures and recorded on the attached form or an equivalent form and a pressure recording

chart documenting the actual annulus test pressures must be attached to the submittal. The tubing pressure at the beginning and end of each test must be recorded. The volume of the annulus fluid bled back at the surface after the test should be measured and recorded on the form. This can be done by bleeding the annulus pressure off and discharging the associated fluid into a five gallon container. The volume information can be used to verify the approximate location of the packer.

Procedures for Pressure Test

1. Scheduling the test should be done at least two (2) weeks in advance.
2. Information on the well completion (location of the packer, location of perforations, previous cement work on the casing, size of casing and tubing, etc.) and the results of the previous MIT test should be reviewed by the field inspector in advance of the test. Regional UIC Guidance #35 should also be reviewed. Information relating to the previous MIT and any well workovers should be reviewed and taken into the field for verification purposes.
3. All Class I wells and Class II SWD wells should be shut-in prior to the test. A 12 to 24-hour shut-in is preferable to assure that the temperature of the fluid in the wellbore is stable.
4. Class II enhanced recovery wells may be operating during the test, but it is recommended that the well be shut-in if possible.
5. The operator should fill the casing/tubing annulus with inhibited fluid at least 24 hours in advance, if possible. Filling the annulus should be undertaken through one valve with the second valve open to allow air to escape. After the operator has filled the annulus, a check should be made to assure that the annulus will remain full. If the annulus can not maintain a full column of fluid, the operator should notify the Director and begin a rework. The operator should measure and report the volume of fluid added to the annulus. If not already the case, the casing/tubing valves should be closed, at least, 24 hours prior to the pressure test.

Following steps are at the well:

6. Read tubing pressure and record on the form. If the

well is shut-in, the reported information on the actual maximum operating pressure should be used to determine test pressures.

7. Read pressure on the casing/tubing annulus and record value on the form. If there is pressure on the annulus, it should be bled off prior to the test. If the pressure will not bleed-off, the guidance on well failures (Region VIII UIC Section Guidance #35) should be followed.
8. Ask the operator for the date of the last workover and the volume of fluid added to the annulus prior to this test and record information on the form.
9. Hook-up well to pressure source and apply pressure until test value is reached.
10. Immediately disconnect pressure source and start test time (If there has been a significant drop in pressure during the process of disconnection, the test may have to be restarted). The pressure gages used to monitor injection tubing pressure and annulus pressure should have a pressure range which will allow the test pressure to be near the mid-range of the gage. Additionally, the gage must be of sufficient accuracy and scale to allow an accurate reading of a 10 percent change to be read. For instance, a test pressure of 600 psi should be monitored with a 0 to 1000 psi gage. The scale should be incremented in 20 psi increments.
11. Record tubing and annulus pressure values every five (5) minutes.
12. At the end of the test, record the final tubing pressure.
13. If the test fails, check the valves, bull plugs and casing head close up for possible leaks. The well should be retested.
14. If the second test indicates a well failure, the Region should be informed of the failure within 24 hours by the operator, and the well should be shut-in within 48 hours per Headquarters guidance #76. A follow-up letter should be prepared by the operator which outlines the cause of the MIT failure and proposes a potential course of action. This report should be submitted to EPA within five days.

15. Bleed off well into a bucket, if possible, to obtain a volume estimate. This should be compared to the calculated value obtained using the casing/tubing annulus volume and fluid compressibility values.
16. Return to office and prepare follow-up.

Alternative Test Option

While it is expected that the test procedure outlined above will be applicable to most wells, the potential does exist that unique circumstances may exist for a given well that precludes or makes unsafe the application of this test procedure. In the event that these exceptional or extraordinary conditions are encountered, the operator has the option to propose an alternative test or monitoring procedures. The request must be submitted by the operator in writing and must be approved in writing by the UIC-Implementation Section Chief or equivalent level of management.

Attachment

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program, UIC Direct Implementation Program 8P-W-GW
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: ____/____/____

Test conducted by: _____

Others present: _____

Well Name: _____	Type: ER SWD	Status: AC TA UC
Field: _____		
Location: _____	Sec: _____ T _____ N/S R _____ E/W	County: _____ State: _____
Operator: _____		
Last MIT: ____/____/____	Maximum Allowable Pressure: _____	PSIG

Is this a regularly scheduled test? ☐ Yes ☐ No

Initial test for permit? ☐ Yes ☐ No

Test after well rework? ☐ Yes ☐ No

Well injecting during test? ☐ Yes ☐ No If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: _____ psig

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

999 18th STREET - SUITE 500

DENVER, COLORADO 80202-2466

SUBJECT: GROUND WATER SECTION GUIDANCE NO. 39
Pressure testing injection wells for Part I (internal)
Mechanical Integrity

FROM: Tom Pike, Chief
UIC Direct Implementation Section

TO: All Section Staff
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Introduction

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Attachment

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program, UIC Direct Implementation Program 8P-W-GW
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: ____/____/____

Test conducted by: _____

Others present: _____

Well Name: _____	Type: ER SWD	Status: AC TA UC
Field: _____		
Location: _____	Sec: _____ T _____ N/S R _____ E/W	County: _____ State: _____
Operator: _____		
Last MIT: ____/____/____	Maximum Allowable Pressure: _____	PSIG

Is this a regularly scheduled test? ☐ Yes ☐ No

Initial test for permit? ☐ Yes ☐ No

Test after well rework? ☐ Yes ☐ No

Well injecting during test? ☐ Yes ☐ No If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: _____ psig

MIT DATA TABLE		Test #1	Test #2	Test #3
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25 minutes	psig		psig	psig
30 minutes	psig		psig	psig
minutes	psig		psig	psig
minutes	psig		psig	psig
RESULT	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8**

**1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>**

NOV 10 2011

Ref: 8P-W-GW

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Mr. Eric Sundberg
Regulatory Analyst
Newfield Production Company
1001 Seventeenth Street – Suite 2000
Denver, Colorado 80202

RECEIVED

NOV 21 2011

DIV. OF OIL, GAS & MINING

Accepted by the
Utah Division of
Oil, Gas and Mining

FOR RECORD ONLY

RE: Underground Injection Control (UIC)
Additional Well to Lone Tree Area Permit
EPA UIC Permit UT20853-09371
Well: Lone Tree 7-16-9-17
SWNE Sec. 16-T9S-R16E 17E
Duchesne County, Utah
API No.: 43-013-32310

Dear Mr. Sundberg:

The U.S. Environmental Protection Agency Region 8 hereby authorizes Newfield Production Company to convert the oil well Lone Tree 7-16-9-17 to an enhanced recovery injection well according to the terms and conditions of the enclosed Authorization for Additional Well. The addition of this injection well, within the exterior boundary of the Uintah & Ouray Indian Reservation, is being made under the authority of 40 CFR §144.33 (c) and terms of the Lone Tree Area Permit UT20853-00000 and subsequent modifications.

Please be aware that Newfield does not have authorization to begin well injection until all Prior to Commencing Injection requirements are met and written authorization to inject is given by the Director. Prior to receiving authorization to inject, Newfield must submit for review and approval (1) the results of a Part I (internal) Mechanical Integrity test, (2) a pore pressure calculation of the injection interval and (3) a completed EPA Form No. 7520-12 (Well Rework Record) with a new schematic diagram.

If you have any questions, please call Emmett Schmitz at (303) 312-6174 or 800 227-8917, extension 312-6174. Please submit the required data to Emmett Schmitz at the letterhead address citing mail code 8P-W-GW.

Sincerely,



for Stephen S. Tuber
Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

Enclosures: Authorization for Additional Well
Schematic Diagram: Proposed Conversion of Lone Tree 7-16-9-17

cc: Permit Letter:
Uintah & Ouray Business Committee:
Irene Cuch, Chairman
Ronald Wopsock, Vice-Chairman
Richard Jenks Jr., Councilman
Frances Poowegup, Councilwoman
Phillip Chimburas, Councilman
Stewart Pike, Councilman

Daniel Picard
BIA - Uintah & Ouray Indian Agency

cc: All enclosures:

Mr. Reed Durfey
District Manager
Newfield Production Company
Myton, Utah 84502

Mike Natchees
Environmental Coordinator
Ute Indian Tribe

Manual Myore
Director of Energy & Minerals Dept.
Ute Indian Tribe

Brad Hill
Acting Associate Director
Utah Division of Oil, Gas, and Mining

Fluid Minerals Engineering Office
BLM - Vernal Office



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
1595 WYNKOOP STREET
DENVER, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>

AUTHORIZATION FOR ADDITIONAL WELL

UIC Area Permit UT20853-00000

The Lone Tree Unit Final UIC Area Permit UT20853-00000, effective September 1, 1998, authorizes injection for the purpose of enhanced oil recovery in the Monument Butte Field. On October 4, 2011, Newfield Production Company notified the Director concerning the following additional enhanced recovery injection well:


Well Name:	Lone Tree 7-16-9-17
EPA Permit ID Number:	UT20853-09371
Location:	1980' FNL & 1980' FEL SWNE Sec. 16 T9S-R17E Duchesne County, Utah API #43-013-32310

Pursuant to 40 CFR §144.33, Area UIC Permit UT20853-00000 authorizes the permittee to construct and operate, convert, or plug and abandon additional enhanced recovery injection wells within the area permit. This well was determined to satisfy additional well criteria required by the permit.

This well is subject to all provisions of UIC Area Permit No. UT20853-00000, as modified and as specified in the Injection Well-Specific Requirements detailed below. This Authorization shall expire one year after the Effective Date unless the permittee has converted the well to injection or submits a written request to extend this Authorization prior to the expiration date.

This Authorization is effective upon signature.

Date: NOV 10 2011


for **Stephen S. Tuber**
*Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

** The person holding this title is referred to as the Director throughout the permit and Authorization*

INJECTION WELL-SPECIFIC REQUIREMENTS

Well Name: Lone Tree 7-16-9-17
EPA Well ID Number: UT20853-09371

Prior to Commencing Injection Operations, the permittee shall submit the following information:

1. Completed Well Rework Record (EPA Form No. 7520-12) and schematic diagram;
2. Pore pressure calculation of the proposed injection zone;
3. Results from a successful part I (internal) Mechanical Integrity test.

Once these records are received and approved by EPA, the Director will provide written authorization to inject for a limited period of 180 days, during which time a Radioactive Tracer Survey (RTS) is required. The RTS will supplement the cementing records, which show an insufficient interval of 80 percent cement bond index or greater through the confining zone, by demonstrating the presence or absence of adequate cement to prevent fluid movement behind the casing above the uppermost perforation. It is intended that a maximum of 180 days of injection will allow the injection zone to achieve the Maximum Allowable Injection Pressure (MAIP) for the purpose of executing the RTS. If 180 days is not sufficient to achieve the MAIP specified in the permit, an extension of the period of Limited Authorization to Inject may be requested.

A successful RTS will be considered a valid confirmation that cementing records show adequate cement to prevent the upward migration of injection fluids from the injection zone at injection pressures up to the MAIP, until one of the following events occurs, at which time a subsequent RTS is required:

- a) If the submitted RTS is determined to be inconclusive or inadequate by EPA,
- b) If the MAIP of the injection well is exceeded for any reason (*It is a violation to exceed the MAIP without prior EPA approval*),
- c) If new injection perforations are added to the injection well, either through the creation of new perforations or the adjustment of the packer depth to inject into a set of existing perforations that were previously inactive,
- d) If the injection formation is acid-treated, hydraulically stimulated, or stimulated by any other method through the injection well, that may affect the cement integrity of the well,
- e) If the Director requests that a RTS be run for any reason.

A submitted RTS which indicates the movement of fluid behind casing from the injection zone will result in a requirement to demonstrate part II mechanical integrity using an approved demonstration method such as a temperature log, oxygen activation log, or noise log at a frequency no less than once every five years.

Note: All depths given in this authorization reference the Kelly Bushing datum unless otherwise specified.

Approved Injection Zone: Injection is approved between the top of the Garden Gulch Member No. 2, of the Green River Formation, at 3,741 feet (ft.) to the top of the Wasatch Formation, at an estimated depth of 5,770 ft.

Maximum Allowable Injection Pressure (MAIP): The initial MAIP is 1,435 psig, based on the following calculation:

$$\text{MAIP} = [\text{FG} - (0.433)(\text{SG})] * \text{D}, \text{ where}$$
$$\text{FG} = 0.80 \text{ psi/ft} \quad \text{SG} = 1.015 \quad \text{D} = 3,933 \text{ ft. (Top perforation depth KB)}$$
$$\text{Initial MAIP} = 1,435 \text{ psig}$$

UIC Area Permit No. UT20853-00000 provides the opportunity for the permittee to request a change of the MAIP based upon the submitted results of a step rate test that demonstrates the formation parting pressure.

Well Construction: Casing and Cementing: The well was constructed in compliance with existing regulatory controls for casing and cementing pursuant to 40 CFR § 146.22(c). However, cementing records, including the cement bond log, have not satisfactorily demonstrated the presence of adequate cement to prevent the migration of injection fluids behind the casing from the injection zone.

Well Construction: Tubing and Packer: 2-7/8" or similar size injection tubing is approved. The packer shall be set at a depth no more than 100 ft. above the top perforation.

Demonstration of Mechanical Integrity:

- (1) A successful demonstration of part I (internal) mechanical integrity using a Casing-Tubing Annulus Pressure Test is required prior to injection, and no less than every five years after the last successful test.
- (2) Because the cementing records have not satisfactorily demonstrated the presence of adequate cement to prevent migration of injection fluids behind the casing from the injection zone, a RTS is required to confirm the presence of adequate cement. If the RTS is not run, or if the RTS does not confirm adequate cement, the permittee shall demonstrate Part II (external) Mechanical Integrity pursuant to 40 CFR §146.8(a)(2) using an approved test method such as temperature log, noise log or oxygen activation log, and the demonstration of Part II Mechanical Integrity shall be repeated no less than every five years after the last successful test.

Demonstration of Financial Responsibility: The applicant has demonstrated financial responsibility by a Surety Bond in the amount of \$42,000 that has been approved by EPA. The Director may revise the amount required, and may require the permittee to obtain and provide updated estimates of costs for plugging the well according to the approved Plugging and Abandonment plan.

Plugging and Abandonment: The well shall be plugged in a manner that isolates the injection zone and prevents movement of fluids into or between Underground Sources of Drinking Water (USDW). Tubing, packers, and any downhole apparatus shall be removed. Class A, C, G, and H cements, with additives such as accelerators and retarders that control or enhance cement properties, may be used for plugs; however, volume extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.2 lb/gal shall be placed between all plugs. A minimum 50 ft. surface plug shall be set inside and outside of the surface casing to seal pathways for fluid migration into the subsurface. Within sixty (60) days after plugging the owner or operator shall submit Plugging Record (EPA Form 7520-13) to the Director. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. At a minimum, the following plugs are required:

1. Approved Plugging and Abandonment Plan

- a. Isolate the injection zone: Remove downhole apparatus from the well and perform necessary clean out; displace well fluid with plugging gel. Set a cast iron bridge plug (CIBP) within the innermost casing string no more than 50 ft. above the top perforation with a minimum of 20 ft. cement plug on top of the CIBP.
- b. Isolate the Trona-Bird's Nest water zone and Mahogany Oil Shale: Perforate and squeeze cement up the backside of the outermost casing string across the Mahogany Oil Shale and Trona-Bird's Nest water zone, from at least 55 ft. above the top of the Trona-Bird's Nest to at least 55 ft. below the base of Mahogany Oil Shale, unless there is existing cement across this interval.
- c. Isolate the Uinta Formation from the Green River Formation: Perforate and squeeze a minimum of 110 ft. cement up the backside of the outermost casing string to isolate the contact between the Uinta Formation and the Green River Formation, unless there is existing cement across this interval. Set a minimum 110 ft. cement plug in the innermost casing string, centered on the contact between the Green River Formation and Uinta Formation.
- d. Isolate Surface Fluid Migration Paths:

If the depth of the lowermost USDW is above the base of surface casing, perforate the outermost casing string 50 ft. below the base of surface casing and circulate cement to the surface, unless there is existing cement across this interval;
OR

If the depth of the lowermost USDW is below the base of surface casing, perforate the outermost casing string 50 ft. below the base of the lowermost USDW and circulate cement to surface; AND

Set a cement plug inside the innermost casing string from 50 ft. below the base of the surface casing to surface.

INJECTION WELL-SPECIFIC CONSIDERATIONS

Well Name: Lone Tree 7-16-9-17
EPA Well ID Number: UT20853-09371

Underground Sources of Drinking Water (USDWs): USDWs in the Lone Tree Area Permit generally occur within the Uinta Formation. According to "*Base of Moderately Saline Ground Water in the Uinta Basin, Utah, State of Utah Technical Publication No. 92,*" the base of moderately saline ground water may be found at approximately 250 ft. below ground surface in the Lone Tree 7-16-9-17 well.

Water samples from the Green River Formation taken in conjunction with oil production show that USDWs do occur at deeper depths within the Humpback unit and as deep as 6,026 ft. in the Balcron Monument Federal 33-25-8-17 well.

http:NRWRT1.NR.STATE.UT.US: There are no reservoirs, streams, domestic or agricultural water wells within a quarter (1/4) mile of the well.

Composition of Source, Formation, and Injectate Water: The Total Dissolved Solids (TDS) content of water produced from the Garden Gulch and Douglas Creek Members of the Green River Formation was determined to be 5,936 mg/l on May 5, 2005. Due to nearby injection activity for the purpose of enhanced oil recovery, this TDS value may not be representative of the original TDS content of formation waters at or near the Lone Tree 7-16-9-17 well.

The TDS content of injectate was determined to be 3,933 mg/l on May 12, 2005. The injectate is water from a Monument Butte Field Injection Facility and consists of culinary water from the Johnson Water District blended with Green River water and produced Green River Formation water resulting in a TDS content less than 10,000 mg/l.

Aquifer Exemption: The TDS of water produced from the proposed injection well is less than 10,000 mg/l. However, EPA has evaluated additional data and information and has concluded that the original Green River formation water was saline prior to enhanced oil recovery water flooding. The weight of evidence supports the conclusion that the occasional water sample from this area showing less than 10,000 mg/l is not representative of original Green River formation water, and is attributed to injection of relatively freshwater during enhanced oil recovery operations. Because this freshening effect from water flood operations is considered by EPA to be a temporary, artificial condition, an aquifer exemption is not required for this proposed injection well.

Confining Zone: The Confining Zone, which directly overlies the Garden Gulch Member No. 2, of the Green River Formation, is approximately 504 ft. of shale between the depths of 3,237 ft. and 3,741 ft.

Injection Zone: The Injection Zone at this well location is approximately 2,029 ft. of multiple lenticular sand units interbedded with shale, marlstone and limestone from the top of the Garden Gulch Member No. 2, at 3,741 ft. to the top of the Wasatch Formation which is estimated to be at 5,770 ft. Formation tops are either submitted by the operator or are based on correlations to the Newfield Production Federal 1-26-8-17 (UT20702-04671) Type Log.

Well Construction: The Cement Bond Log (CBL) does not show a sufficient interval of continuous 80 percent or greater cement bond index through the Confining Zone (3,237 to 3,741 ft.). Therefore, further demonstration that well cement is adequate to prevent significant migration of injection fluids behind casing is required.

Surface Casing: 8-5/8" casing is set at 312 ft. in a 12-1/4" hole, using 150 sacks Class "G" cement which was cemented to the surface.

Longstring Casing: 5-1/2" casing is set at 5,669 ft. in a 7-7/8" hole secured with 750 sacks of cement. Total driller depth is 5,669 ft. Plugged back total depth is 5,625 ft. Estimated CBL top of cement is 12 ft.

Perforations: Top perforation: 3,933 ft.

Bottom perforation: 5,578 ft.

AREA OF REVIEW (AOR) WELL REQUIREMENTS

Two (2) wells penetrate the confining zone within or proximate to a ¼-mile radius around the Lone Tree 7-16-9-17 well. Each well was evaluated to determine if any corrective action is necessary to prevent fluid movement into USDWs.

No Corrective Action Required on AOR wells:

Monument State 22-16-9-17 Operator reports top of cement to be 850 ft. The 507 ft. Confining Zone (3,246 ft. – 3,753 ft.) has 413 ft. (3,340 ft. – 3,753 ft.) of 80% cement bond.

Lone Tree 8-16-9-17: Operator reports top of cement to be 30 ft. The 504 ft. Confining Zone (3,230 ft. – 3,734 ft.) has 20 ft. (3,440 ft. – 3,460 ft.) of 80% cement bond.

Reporting of Noncompliance:

- (a) **Anticipated Noncompliance.** The operator shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
- (b) **Compliance Schedules.** Reports of compliance or noncompliance with, or any progress on, interim and final requirements contained in any compliance schedule of this Permit shall be submitted no later than 30 days following each schedule date.

- (c) Written Notice of any noncompliance which may endanger health or the environment shall be reported to the Director within five days of the time the operator becomes aware of the noncompliance. The written notice shall contain a description of the noncompliance and its cause, the period of noncompliance including dates and times, if the noncompliance has not been corrected the anticipated time it is expected to continue, and steps taken or planned to prevent or reduce recurrence of the noncompliance.

Twenty-Four Hour Noncompliance Reporting: The operator shall report to the Director any noncompliance which may endanger health or environment. Information shall be provided, either orally or by leaving a message, within twenty-four (24) hours from the time the operator becomes aware of the circumstances by telephoning 1-(800)-227-8917 and asking for the EPA Region 8 UIC Program Compliance and Enforcement Director, or by contacting the Region 8 Emergency Operations Center at (303)-293-1788, if calling from outside EPA Region 8. The following information shall be included in the verbal report:

- (a) Any monitoring or other information which indicates that any contaminant may cause an endangerment to an underground source of drinking water.
- (b) Any noncompliance with a Permit condition or malfunction of the injection system which may cause fluid migration into or between underground sources of drinking water.

Oil Spill and Chemical Release Reporting: The operator shall comply with all other reporting requirements related to oil spills and chemical releases or other potential impacts to human health or the environment by contacting the **National Response Center (NRC) 1-(800)-424-8802 or 1-(202)-267-2675**, or through the NRC website at <http://www.nrc.uscg.mil/index.htm>

Other Noncompliance: The operator shall report all other instances of noncompliance not otherwise reported at the time monitoring reports are submitted.

Other Information: Where the operator becomes aware that he failed to submit any relevant facts in the Permit application, or submitted incorrect information in a Permit application, or in any report to the Director, the operator shall submit such correct facts or information within two weeks of the time such information became known.

UT 20853-09371

Lone Tree 7-16-9-17

Spud Date: 7/25/03

Put on Production: 4/30/04

GL: 5250' KB: 5262'

SURFACE CASING

CSG SIZE: 8-5/8"

GRADE: J-55

WEIGHT: 24#

LENGTH: 7 jts. (302.32')

DEPTH LANDED: 312.32' KB

HOLE SIZE: 12-1/4"

CEMENT DATA: 150sxs Glass "G" mixed crnt, est 5.5 bbls crnt to surf.

TOL: 12'

Base 4500' < 250'

PRODUCTION CASING

CSG SIZE: 5-1/2"

GRADE: J-55

WEIGHT: 15.5#

LENGTH: 130 jts. (5671.1')

DEPTH LANDED: 5669.6' KB

HOLE SIZE: 7 7/8"

CEMENT DATA: 350 sxs Prem. Lite II mixed & 400 sxs 50/50 POZ mix.

CEMENT TOP AT:

TUBING

SIZE/GRADE/WT.: 2-7/8" / J-55 / 6.5#

NO. OF JOINTS: 168 jts (5440.13')

TUBING ANCHOR: 5452.63' KB

NO. OF JOINTS: 1 jt (32.45')

SEATING NIPPLE: 2-7/8" (1.10')

SN LANDED AT: 5487.88' KB

NO. OF JOINTS: 2 jts (64.92')

TOTAL STRING LENGTH: EOT @ 5554.5' w/ 12.5' KB

Proposed Injection Wellbore Diagram

FRAC JOB

4/26/04 5534'-5578'

Frac CP5 sands as follows:
29,806# 20/40 sand in 318 bbls lightning Frac 17 fluid. Treated @ avg press of 1905 psi w/avg rate of 24.8 BPM. ISIP 2050 psi. Calc flush: 5532 gal. Actual flush: 4775 gal.

4/26/04 5269'-5324'

Frac CP2 and 1 sands as follows:
84,981# 20/40 sand in 621 bbls lightning Frac 17 fluid. Treated @ avg press of 1775 psi w/avg rate of 24.7 BPM. ISIP 1950 psi. Calc flush: 5267 gal. Actual flush: 5183 gal.

4/26/04 4483'-4492'

Frac D2 sands as follows:
39,966# 20/40 sand in 355 bbls lightning Frac 17 fluid. Treated @ avg press of 2180 psi w/avg rate of 24.6 BPM. ISIP 2200 psi. Calc flush: 4481 gal. Actual flush: 4481 gal.

4/26/04 3933'-3941'

Frac GB4 sands as follows:
21,877# 20/40 sand in 224 bbls lightning Frac 17 fluid. Treated @ avg press of 2290 psi w/avg rate of 24.8 BPM. ISIP 2120 psi. Calc flush: 3931 gal. Actual flush: 3931 gal.

- 1945' Green River

*Confining zone: 3237'-3741'
3741' Garden Gulch Member No. 2*

Packer @ 3898'

3933'-3941'

4483'-4492'

5269'-5286'

5290'-5294'

5316'-5324'

5534'-5541'

5571'-5578'

Top of Fill & PBT @ 5625'

SHOE & TD @ 5669'

PERFORATION RECORD

4/23/04	5571'-5578'	4 JSPF	28 holes
4/23/04	5534'-5541'	4 JSPF	28 holes
4/26/04	5316'-5324'	4 JSPF	32 holes
4/26/04	5290'-5294'	4 JSPF	16 holes
4/26/04	5269'-5286'	4 JSPF	68 holes
4/26/04	4483'-4492'	4 JSPF	36 holes
4/26/04	3933'-3941'	4 JSPF	32 holes

- 5646' Basal Carbonate

5770' Est. Wasatch

NEWFIELD

Lone Tree 7-16-9-17

1980' FNL & 1980' FEL

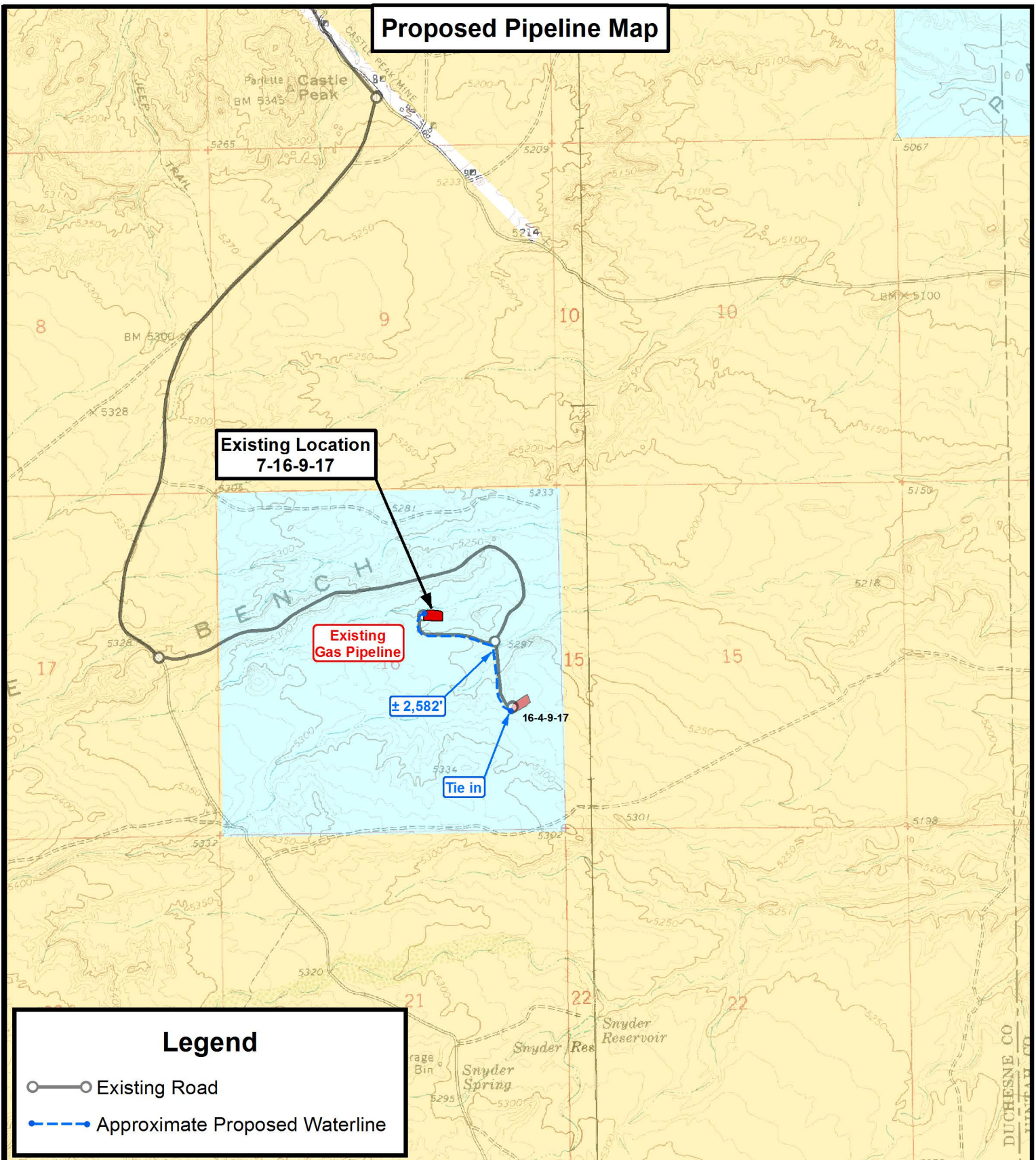
SW/NE Section 16, T9S, R17E

Duchesne County, Utah

API #43-013-32310; Lease #N.L. 3453B

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3453B
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY		7. UNIT or CA AGREEMENT NAME: GMBU (GRRV)
3. ADDRESS OF OPERATOR: Rt 3 Box 3630, Myton, UT, 84052		8. WELL NAME and NUMBER: LONE TREE U 7-16-9-17
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1980 FNL 1980 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 16 Township: 09.0S Range: 17.0E Meridian: S		9. API NUMBER: 43013323100000
PHONE NUMBER: 435 646-4825 Ext		9. FIELD and POOL or WILDCAT: MONUMENT BUTTE
COUNTY: DUCHESNE		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 7/1/2012 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input checked="" type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100%;" type="text"/> </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Newfield Production Company proposes to install 2582' of buried 3" waterline to the 7-16-9-17 for the purpose of water injection. Disturbance is limited to 15 feet in width, but can be more, depending on terrain. See attachment for further details.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY July 10, 2012		
NAME (PLEASE PRINT) Tim Eaton	PHONE NUMBER 465 646-4858	TITLE Regulatory Tech
SIGNATURE N/A		DATE 6/14/2012

Proposed Pipeline Map



Legend

- Existing Road
- Approximate Proposed Waterline

Tri State
Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

P: (435) 781-2501
F: (435) 781-2518



NEWFIELD EXPLORATION COMPANY

7-16-9-17
SEC. 16, T9S, R17E, S.L.B.&M.
Duchesne County, UT.

DRAWN BY:	A.P.C.	REVISED:	VERSION:
DATE:	12-21-2011		V1
SCALE:	1" = 2,000'		

TOPOGRAPHIC MAP

SHEET
C

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3453B
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY		7. UNIT or CA AGREEMENT NAME: GMBU (GRRV)
3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052		8. WELL NAME and NUMBER: LONE TREE U 7-16-9-17
PHONE NUMBER: 435 646-4825 Ext		9. API NUMBER: 43013323100000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1980 FNL 1980 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 16 Township: 09.0S Range: 17.0E Meridian: S		9. FIELD and POOL or WILDCAT: MONUMENT BUTTE
COUNTY: DUCHESNE		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 7/31/2012	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TUBING	
	<input checked="" type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
<p>The subject well has been converted from a producing oil well to an injection well on 07/30/2012. On 07/23/2012 Jason Deardorff with the EPA was contacted concerning the initial MIT on the above listed well. On 07/31/2012 the casing was pressured up to 1470 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tubing pressure was 350 psig during the test. There was not an EPA representative available to witness the test. EPA# UT20853-09371</p>		
<p>Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY August 06, 2012</p>		
NAME (PLEASE PRINT) Lucy Chavez-Naupoto	PHONE NUMBER 435 646-4874	TITLE Water Services Technician
SIGNATURE N/A	DATE 8/1/2012	

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____

Date: 7 / 31 / 2012Test conducted by: Cody Marx

Others present: _____

Well Name: <u>Lone Tree Unit 7-16-9-17</u>	Type: ER SWD	Status: AC TA UC
Field: <u>Monte Vista Butte</u>		
Location: <u>SW/NE</u> Sec: <u>16</u> T <u>9</u> N <u>(S)</u> R <u>17</u> E/W County: <u>Duchesne</u> State: <u>Ut.</u>		
Operator: <u>Cody Marx</u>		
Last MIT: <u>/ /</u>	Maximum Allowable Pressure: _____ PSIG	

Is this a regularly scheduled test?

☐ Yes☒ No

Initial test for permit?

☒ Yes☐ No

Test after well rework?

☐ Yes☒ No

Well injecting during test?

☐ Yes☒ No

If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: 1470 psig

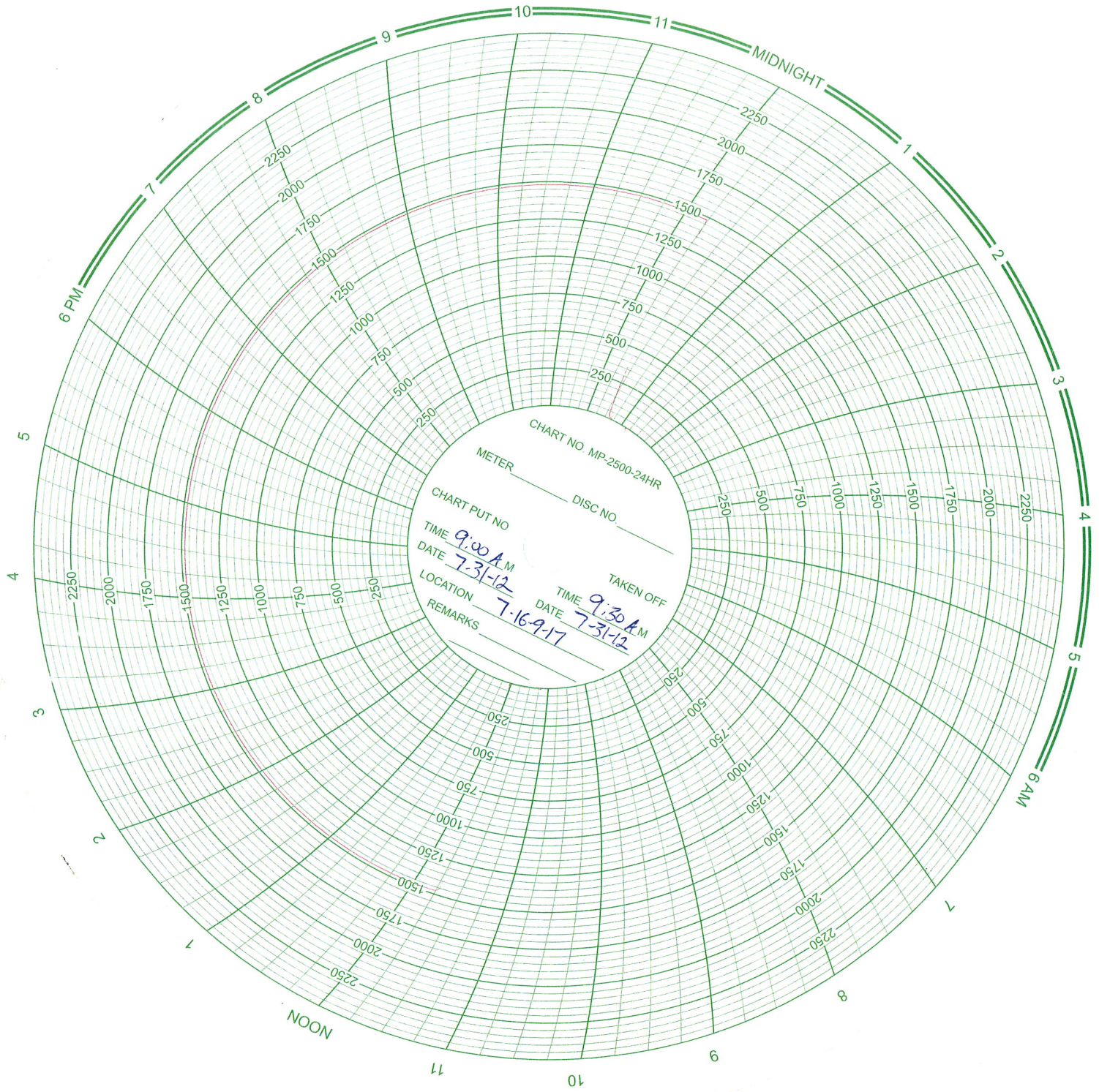
MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING	PRESSURE		
Initial Pressure	<u>350</u> psig	psig	psig
End of test pressure	<u>350</u> psig	psig	psig
CASING / TUBING	ANNULUS PRESSURE		
0 minutes	<u>1470</u> psig	psig	psig
5 minutes	<u>1470</u> psig	psig	psig
10 minutes	<u>1470</u> psig	psig	psig
15 minutes	<u>1470</u> psig	psig	psig
20 minutes	<u>1470</u> psig	psig	psig
25 minutes	<u>1470</u> psig	psig	psig
30 minutes	<u>1470</u> psig	psig	psig
_____ minutes	psig	psig	psig
_____ minutes	psig	psig	psig
RESULT	<input checked="" type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail

Does the annulus pressure build back up after the test? ☐ Yes ☐ No

MECHANICAL INTEGRITY PRESSURE TEST

Additional comments for mechanical integrity pressure test, such as volume of fluid added to annulus and bled back at end of test, reason for failing test (casing head leak, tubing leak, other), etc.:

Signature of Witness: _____



Daily Activity Report

Format For Sundry

LONETREE 7-16-9-17

5/1/2012 To 9/30/2012

7/24/2012 Day: 1

Conversion

NC #3 on 7/24/2012 - MIRU NC#3 - 3:00PM-5:00PM Move Rig, 5:00PM MIRU NC#3, Spot Rig In, Pull Guid Wires, 6:30PM CSDFN, 6:30PM-7:00PM C/Trvl. - 3:00PM-5:00PM Move Rig, 5:00PM MIRU NC#3, Spot Rig In, Pull Guid Wires, 6:30PM CSDFN, 6:30PM-7:00PM C/Trvl. - 3:00PM-5:00PM Move Rig, 5:00PM MIRU NC#3, Spot Rig In, Pull Guid Wires, 6:30PM CSDFN, 6:30PM-7:00PM C/Trvl.

Daily Cost: \$0

Cumulative Cost: \$3,155

7/25/2012 Day: 2

Conversion

NC #3 on 7/25/2012 - R/D Unit, Flush Casing, Tbg Would Not Flush, Flush Csg W/ H2S Multi Sweep Scavenger Do To H2S @ The Well Head, L/D 20 3/4 4 Per Rods. - 5:30AM-6:00AM C/Trvl, 6:00AM OWU, R/D Unit, L/D Polish Rod & Two Rods, R/U Preferred Hot Oiler To Tbg To Flush, Would Not Flush, R/U To Csg & Flush, Flush 60 BW @ 1/2 BPM W/1000Psi, Open Tbg Up , H2S Meter Reading 75PPM @ W/H-D, RIg Hot Oiler Back Up To Csg & Pmp 60 BW @ 1/2 BPM W/1000Psi W/ 5 Gal H2S Multi Sweep Scavenger In It. RIH W/ Rods & Psr Tst Tbg To 3500Psi, R/U Rod Eqp & L/D 20 3/4 4Per Rods. 2:00PM CSDFN, 2:00PM-2:30PM C/Trvl. - 5:30AM-6:00AM C/Trvl, 6:00AM OWU, R/D Unit, L/D Polish Rod & Two Rods, R/U Preferred Hot Oiler To Tbg To Flush, Would Not Flush, R/U To Csg & Flush, Flush 60 BW @ 1/2 BPM W/1000Psi, Open Tbg Up , H2S Meter Reading 75PPM @ W/H-D, RIg Hot Oiler Back Up To Csg & Pmp 60 BW @ 1/2 BPM W/1000Psi W/ 5 Gal H2S Multi Sweep Scavenger In It. RIH W/ Rods & Psr Tst Tbg To 3500Psi, R/U Rod Eqp & L/D 20 3/4 4Per Rods. 2:00PM CSDFN, 2:00PM-2:30PM C/Trvl. - 5:30AM-6:00AM C/Trvl, 6:00AM OWU, R/D Unit, L/D Polish Rod & Two Rods, R/U Preferred Hot Oiler To Tbg To Flush, Would Not Flush, R/U To Csg & Flush, Flush 60 BW @ 1/2 BPM W/1000Psi, Open Tbg Up , H2S Meter Reading 75PPM @ W/H-D, RIg Hot Oiler Back Up To Csg & Pmp 60 BW @ 1/2 BPM W/1000Psi W/ 5 Gal H2S Multi Sweep Scavenger In It. RIH W/ Rods & Psr Tst Tbg To 3500Psi, R/U Rod Eqp & L/D 20 3/4 4Per Rods. 2:00PM CSDFN, 2:00PM-2:30PM C/Trvl. **Finalized**

Daily Cost: \$0

Cumulative Cost: \$8,445

7/26/2012 Day: 3

Conversion

NC #3 on 7/26/2012 - L/D Rod String, N/D W/H-D, N/U BOPs, TOOH W/ Tbg, Brake & Dope Each Conn. W/ Lubon 404G, Pulling Back Oil, Flush to Try To Clean Up - 5:30AM-6:00AM C/Trvl, 6:00AM OWU, R/U Preferred Hot Oiler, Pmp 30 BW Down Tbg @ 500Ps, R/U Rod Eqp & L/D Rods. L/D 1 Polish Rod 1 1/2X22, 98 3/4 4 Pers, 75 3/4 Slicks, 39 3/4 4 Pers, 1 Stabilizer, 6 1 1/2 Wt Bars, & 1 Pmp. Pmp Looks Like The Cups Where Rolled On It. R/D Tbg Eqp, R/D W/H-D, R/U BOPs, R/U Rig Flr, R/U Tbg Eqp, Release T/A, Flush Tbg W/ 30 BW, P/U 2 Jts Tbg & RIH To To Clear Perfs, EOT @ 5604, L/D 2 New Jts Tbg & TOOH W/ 60 Jts Tbg, Flush W/ 30 BW Do To Oil In Pipe, Well Flowing Oil Up Backside, Pmp 30 BW To Try and Kill Oil Flow, POOH W/ 9 Jts, Pulling Back Oil Again, 6:30PM CSDFN, 6:30PM-7:00PM C/Trvl. - 5:30AM-6:00AM C/Trvl, 6:00AM OWU, R/U Preferred Hot Oiler, Pmp 30 BW Down Tbg @ 500Ps, R/U Rod Eqp & L/D Rods. L/D 1 Polish Rod 1 1/2X22, 98 3/4 4 Pers, 75 3/4 Slicks, 39 3/4 4 Pers, 1 Stabilizer, 6 1 1/2 Wt Bars, & 1 Pmp. Pmp Looks Like The Cups Where Rolled On It. R/D Tbg Eqp, R/D W/H-D, R/U BOPs, R/U Rig Flr, R/U Tbg Eqp, Release T/A, Flush Tbg W/ 30 BW, P/U 2 Jts Tbg

& RIH To To Clear Perfs, EOT @ 5604, L/D 2 New Jts Tbg & TOO H W/ 60 Jts Tbg, Flush W/ 30 BW Do To Oil In Pipe, Well Flowing Oil Up Backside, Pmp 30 BW To Try and Kill Oil Flow, POOH W/ 9 Jts, Pulling Back Oil Again, 6:30PM CSDFN, 6:30PM-7:00PM C/Trvl. - 5:30AM-6:00AM C/Trvl, 6:00AM OWU, R/U Preferred Hot Oiler, Pmp 30 BW Down Tbg @ 500Ps, R/U Rod Eqp & L/D Rods. L/D 1 Polish Rod 1 1/2X22, 98 3/4 4 Pers, 75 3/4 Slicks, 39 3/4 4 Pers, 1 Stabilizer, 6 1 1/2 Wt Bars, & 1 Pmp. Pmp Looks Like The Cups Where Rolled On It. R/D Tbg Eqp, R/D W/H-D, R/U BOPs, R/U Rig Flr, R/U Tbg Eqp, Release T/A, Flush Tbg W/ 30 BW, P/U 2 Jts Tbg & RIH To To Clear Perfs, EOT @ 5604, L/D 2 New Jts Tbg & TOO H W/ 60 Jts Tbg, Flush W/ 30 BW Do To Oil In Pipe, Well Flowing Oil Up Backside, Pmp 30 BW To Try and Kill Oil Flow, POOH W/ 9 Jts, Pulling Back Oil Again, 6:30PM CSDFN, 6:30PM-7:00PM C/Trvl.

Daily Cost: \$0

Cumulative Cost: \$16,763

7/27/2012 Day: 4**Conversion**

NC #3 on 7/27/2012 - TOO H Brk & Dope Each Conn. L/D Tbg, & BHA, P/U Pkr & TIH. Psr Tst Tbg, Fish S/Vlve, Pmp Pkr Fluid, N/U W/H-D & Prs Tst Csg - 5:30AM-6:00AM C/Trvl, 6:00AM OWU, R/U Preferred Hot Oiler, Pmp 100 BW Down Tbg To Circ Oil Out Of Csg, TOO H W/ 51 Jts Tbg, Brake & Dope Each Conn W/ Lubon 404G Dope, Flush W/ 35 BW Do To Oil Flowing Out Csg, L/D 48 Jts Tbg, T/A, 1 Jt, S/N, 2 Jts, & N/C. P/U Pkr, & TIH, Tally Tbg On TIH, R/U H/Oiler To Tbg, Drop S/Vlve, Pmp 15 BW To Fill, Psr Tbg Up To 3100Psi, Held For One Hour (Tst Good), Bleed Prs Off, R/U Swb T, R/U S/Line W/ S/Vlve Fish Tool, P/U & RIH, Fish S/Vlve, R/D S/Line, R/D Tbg Eqp, R/D Rig Flr, N/D BOPs, N/U W/H-D W/ 6' Tbg Sub, Pmp 75BW W/ Pkr Fluid, Set Pkr In 15k Tension, L/D 6' Tbg Sub, Land Injection Tree On W/H-D & N/U, R/U Hot Oiler To Csg, Prs Csg & Pkr To 1500Psi, 7:00PM CSDFN. 7:00PM-7:30PM C/Trvl - 5:30AM-6:00AM C/Trvl, 6:00AM OWU, R/U Preferred Hot Oiler, Pmp 100 BW Down Tbg To Circ Oil Out Of Csg, TOO H W/ 51 Jts Tbg, Brake & Dope Each Conn W/ Lubon 404G Dope, Flush W/ 35 BW Do To Oil Flowing Out Csg, L/D 48 Jts Tbg, T/A, 1 Jt, S/N, 2 Jts, & N/C. P/U Pkr, & TIH, Tally Tbg On TIH, R/U H/Oiler To Tbg, Drop S/Vlve, Pmp 15 BW To Fill, Psr Tbg Up To 3100Psi, Held For One Hour(Tst Good), Bleed Prs Off, R/U Swb T, R/U S/Line W/ S/Vlve Fish Tool, P/U & RIH, Fish S/Vlve, R/D S/Line, R/D Tbg Eqp, R/D Rig Flr, N/D BOPs, N/U W/H-D W/ 6' Tbg Sub, Pmp 75BW W/ Pkr Fluid, Set Pkr In 15k Tension, L/D 6' Tbg Sub, Land Injection Tree On W/H-D & N/U, R/U Hot Oiler To Csg, Prs Csg & Pkr To 1500Psi, 7:00PM CSDFN. 7:00PM-7:30PM C/Trvl - 5:30AM-6:00AM C/Trvl, 6:00AM OWU, R/U Preferred Hot Oiler, Pmp 100 BW Down Tbg To Circ Oil Out Of Csg, TOO H W/ 51 Jts Tbg, Brake & Dope Each Conn W/ Lubon 404G Dope, Flush W/ 35 BW Do To Oil Flowing Out Csg, L/D 48 Jts Tbg, T/A, 1 Jt, S/N, 2 Jts, & N/C. P/U Pkr, & TIH, Tally Tbg On TIH, R/U H/Oiler To Tbg, Drop S/Vlve, Pmp 15 BW To Fill, Psr Tbg Up To 3100Psi, Held For One Hour(Tst Good), Bleed Prs Off, R/U Swb T, R/U S/Line W/ S/Vlve Fish Tool, P/U & RIH, Fish S/Vlve, R/D S/Line, R/D Tbg Eqp, R/D Rig Flr, N/D BOPs, N/U W/H-D W/ 6' Tbg Sub, Pmp 75BW W/ Pkr Fluid, Set Pkr In 15k Tension, L/D 6' Tbg Sub, Land Injection Tree On W/H-D & N/U, R/U Hot Oiler To Csg, Prs Csg & Pkr To 1500Psi, 7:00PM CSDFN. 7:00PM-7:30PM C/Trvl

Daily Cost: \$0

Cumulative Cost: \$37,441

7/30/2012 Day: 5**Conversion**

NC #3 on 7/30/2012 - Psr Tst Csg, R/D & Move Out NC#3, Well Ready For MIT Final Report - 5:30AM-6:00AM C/Trvl, 6:00AM Csg Psr @ 1000Psi, R/U Preferred Hot Oiler, Psr Csg Up To 1500Psi, Csg Psr Held For One Hour @ 1500Psi(Good Tst), R/D & M/Out NC#3 @ 10:00AM, Well Ready For MIT. (Final Report) - 5:30AM-6:00AM C/Trvl, 6:00AM Csg Psr @ 1000Psi, R/U Preferred Hot Oiler, Psr Csg Up To 1500Psi, Csg Psr Held For One Hour @ 1500Psi(Good Tst), R/D & M/Out NC#3 @ 10:00AM, Well Ready For MIT. (Final Report) - 5:30AM-6:00AM C/Trvl, 6:00AM Csg Psr @ 1000Psi, R/U Preferred Hot Oiler, Psr Csg Up To 1500Psi, Csg Psr Held For

Summary Rig Activity

One Hour @ 1500Psi(Good Tst), R/D & M/Out NC#3 @ 10:00AM, Well Ready For MIT. (Final Report)

Daily Cost: \$0

Cumulative Cost: \$40,486

7/31/2012 Day: 6

Conversion

Rigless on 7/31/2012 - Conduct initial MIT - On 07/23/2012 Jason Deardorff with the EPA was contacted concerning the initial MIT on the above listed well. On 07/31/2012 the casing was pressured up to 1470 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tubing pressure was 350 psig during the test. There was not an EPA representative available to witness the test. EPA# UT20853-09371 - On 07/23/2012 Jason Deardorff with the EPA was contacted concerning the initial MIT on the above listed well. On 07/31/2012 the casing was pressured up to 1470 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tubing pressure was 350 psig during the test. There was not an EPA representative available to witness the test. EPA# UT20853-09371 - On 07/23/2012 Jason Deardorff with the EPA was contacted concerning the initial MIT on the above listed well. On 07/31/2012 the casing was pressured up to 1470 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tubing pressure was 350 psig during the test. There was not an EPA representative available to witness the test. EPA# UT20853-09371 **Finalized**

Daily Cost: \$0

Cumulative Cost: \$128,756

Pertinent Files: [Go to File List](#)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3453B
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY		7. UNIT or CA AGREEMENT NAME: GMBU (GRRV)
3. ADDRESS OF OPERATOR: 1001 17th Street, Suite 2000 , Denver, CO, 80202		8. WELL NAME and NUMBER: LONE TREE U 7-16-9-17
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1980 FNL 1980 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 16 Township: 09.0S Range: 17.0E Meridian: S		9. API NUMBER: 43013323100000
PHONE NUMBER: 303 382-4443 Ext		9. FIELD and POOL or WILDCAT: MONUMENT BUTTE
COUNTY: DUCHESNE		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

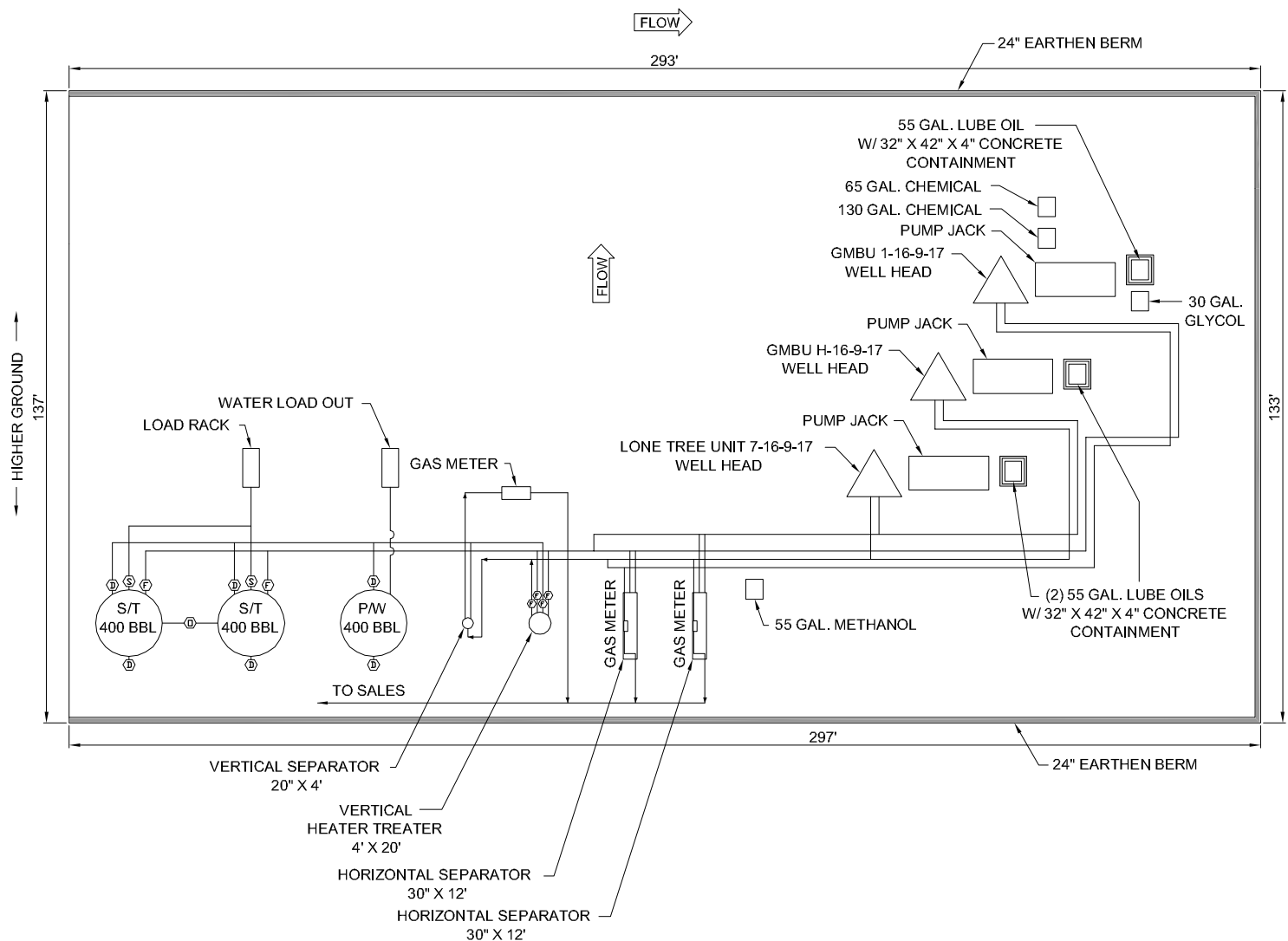
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION	<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <div style="border: 1px solid black; padding: 2px; display: inline-block;">3/1/2012</div> <input type="checkbox"/> SPUD REPORT Date of Spud:
<input type="checkbox"/> DRILLING REPORT Report Date:	<input checked="" type="checkbox"/> OTHER			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

SEE ATTACHED REVISED SITE FACILITY DIAGRAM



Accepted by the
 Utah Division of
 Oil, Gas and Mining
FOR RECORD ONLY
 August 27, 2012

NAME (PLEASE PRINT) Jill L Loyle	PHONE NUMBER 303 383-4135	TITLE Regulatory Technician
SIGNATURE N/A	DATE 8/13/2012	



LONE TREE UNIT 7-16-9-17 (LOCATION) - API #: 4301332310
 GMBU 1-16-9-17 (DIRECTIONAL) - API #: 4301350790
 GMBU H-16-9-17 (DIRECTIONAL) - API #: 4301350788

UTU87538X

POSITION OF VALVES AND USE OF SEALS DURING PRODUCTION				Valve Type				Federal Lease #: UTU 87538 X (ML 3453B)			LONE TREE UNIT 7-16-9-17, GMBU 1-16-9-17, AND GMBU H-16-9-17	
Valve	Line Purpose	Position	Seal Installed	D	Drain Valve			This lease is subject to the Site Security Plan for: Newfield Exploration Company 19 East Pine Street Pinedale, WY 82941			Newfield Exploration Company SWNE Sec 16, T9S, R17E Duchesne County, UT	
D	Drain	Closed	Yes	F	Flow Valve							
F	Oil, Gas, Water	Open	No	O	Overflow							
O	Overflow	Open/Closed	No	V	Vent							
V	Vent	Open	No	R	Recycle							
R	Recycle	Closed	Yes	B	Blow Down							
B	Blowdown	Open/Closed	No	S	Sales Valve							
S	Sales	Closed	Yes									
POSITION OF VALVES AND USE OF SEALS DURING SALES				POSITION OF VALVES AND USE OF SEALS DURING WATER DRAIN								
Valve	Line Purpose	Position	Seal Installed	Valve	Line Purpose	Position	Seal Installed					
D	Drain	Closed	Yes	D	Drain	Open	No					
F	Oil, Gas, Water	Closed	Yes	F	Oil, Gas, Water	Closed	No					
O	Overflow	Closed	Yes	O	Overflow	Closed	No					
V	Vent	Open	No	V	Vent	Open	No					
R	Recycle	Closed	Yes	R	Recycle	Closed	Yes					
B	Blowdown	Closed	No	B	Blowdown	Closed	No					
S	Sales	Open	No	S	Sales	Closed	Yes					

RECEIVED: Aug. 13, 2012

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3453B
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY		7. UNIT or CA AGREEMENT NAME: GMBU (GRRV)
3. ADDRESS OF OPERATOR: 1001 17th Street, Suite 2000 , Denver, CO, 80202		8. WELL NAME and NUMBER: LONE TREE U 7-16-9-17
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1980 FNL 1980 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 16 Township: 09.0S Range: 17.0E Meridian: S		9. API NUMBER: 43013323100000
PHONE NUMBER: 303 382-4443 Ext		9. FIELD and POOL or WILDCAT: MONUMENT BUTTE
COUNTY: DUCHESNE		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION	<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <div style="border: 1px solid black; padding: 2px; display: inline-block;">3/1/2012</div> <input type="checkbox"/> SPUD REPORT Date of Spud:
<input type="checkbox"/> DRILLING REPORT Report Date:	<input checked="" type="checkbox"/> OTHER			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

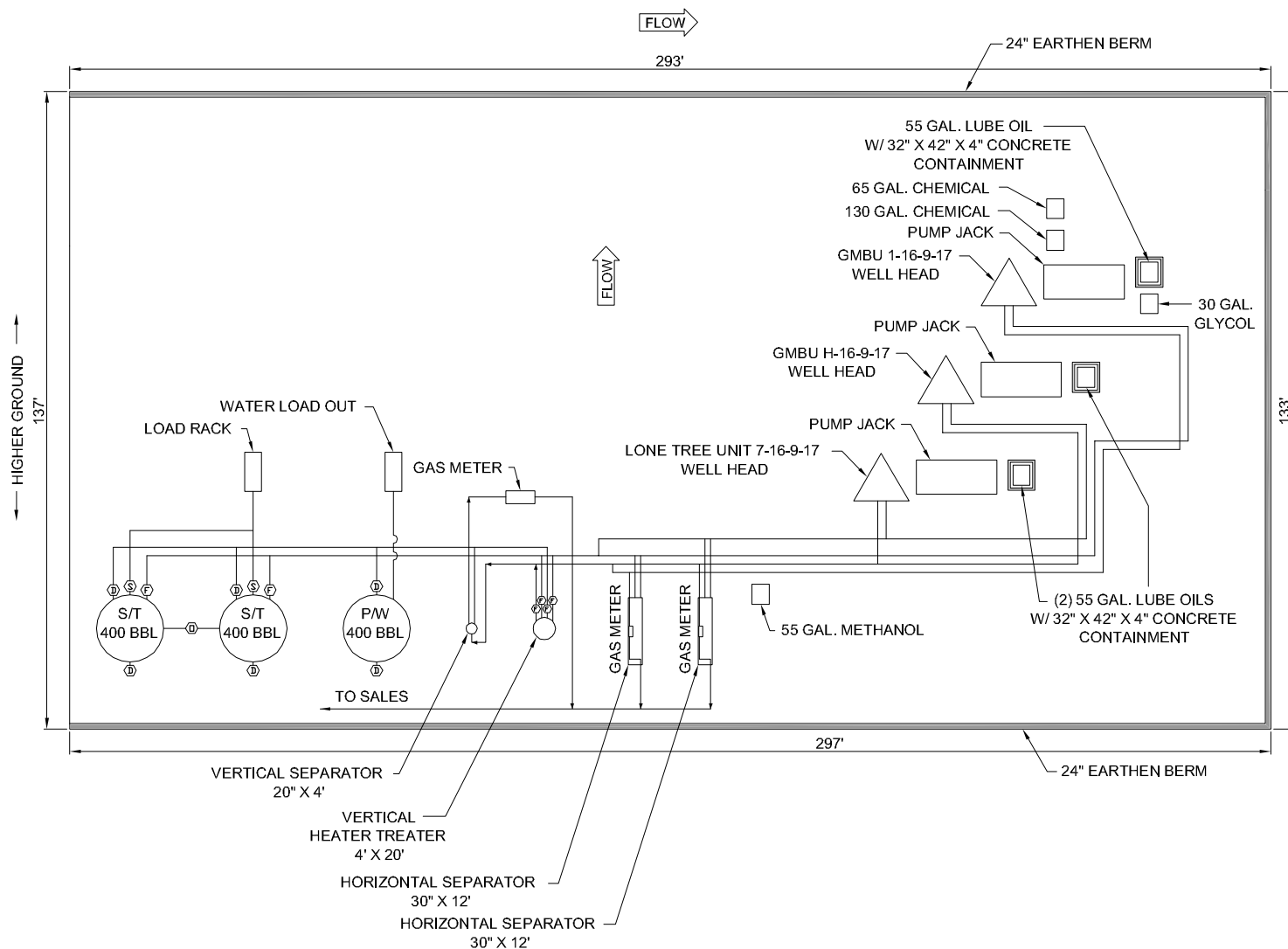
SEE ATTACHED REVISED SITE FACILITY DIAGRAM

Accepted by the
Utah Division of
Oil, Gas and Mining

FOR RECORD ONLY



August 27, 2012

NAME (PLEASE PRINT) Jill L Loyle	PHONE NUMBER 303 383-4135	TITLE Regulatory Technician
SIGNATURE N/A	DATE 8/14/2012	



LONE TREE UNIT 7-16-9-17 (LOCATION) - API #: 4301332310
 GMBU 1-16-9-17 (DIRECTIONAL) - API #: 4301350790
 GMBU H-16-9-17 (DIRECTIONAL) - API #: 4301350788

UTU87538X

POSITION OF VALVES AND USE OF SEALS DURING PRODUCTION				Valve Type				Federal Lease #: UTU 87538 X (ML 3453B)					LONE TREE UNIT 7-16-9-17, GMBU 1-16-9-17, AND GMBU H-16-9-17				
Valve	Line Purpose	Position	Seal Installed	D	Drain Valve	This lease is subject to the Site Security Plan for: Newfield Exploration Company 19 East Pine Street Pinedale, WY 82941				Newfield Exploration Company SWNE Sec 16, T9S, R17E Duchesne County, UT							
D	Drain	Closed	Yes	F	Flow Valve												
F	Oil, Gas, Water	Open	No	O	Overflow												
O	Overflow	Open/Closed	No	V	Vent												
V	Vent	Open	No	R	Recycle												
R	Recycle	Closed	Yes	B	Blow Down												
B	Blowdown	Open/Closed	No	S	Sales Valve												
S	Sales	Closed	Yes														
POSITION OF VALVES AND USE OF SEALS DURING SALES				POSITION OF VALVES AND USE OF SEALS DURING WATER DRAIN				M.G.				MAR 2012					Note: This drawing represents approximate sizes and distances. Underground pipeline locations are also approximated.
Valve	Line Purpose	Position	Seal Installed	Valve	Line Purpose	Position	Seal Installed										
D	Drain	Closed	Yes	D	Drain	Open	No										
F	Oil, Gas, Water	Closed	Yes	F	Oil, Gas, Water	Closed	No										
O	Overflow	Closed	Yes	O	Overflow	Closed	No										
V	Vent	Open	No	V	Vent	Open	No										
R	Recycle	Closed	Yes	R	Recycle	Closed	Yes										
B	Blowdown	Closed	No	B	Blowdown	Closed	No										
S	Sales	Open	No	S	Sales	Closed	Yes										

RECEIVED: Aug. 14, 2012

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3453B
1. TYPE OF WELL Water Injection Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY		7. UNIT or CA AGREEMENT NAME: GMBU (GRRV)
3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052		8. WELL NAME and NUMBER: LONE TREE U 7-16-9-17
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1980 FNL 1980 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 16 Township: 09.0S Range: 17.0E Meridian: S		9. API NUMBER: 43013323100000
PHONE NUMBER: 435 646-4825 Ext		9. FIELD and POOL or WILDCAT: MONUMENT BUTTE
COUNTY: DUCHESNE		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 9/5/2012	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input checked="" type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input checked="" type="checkbox"/> OTHER	
	OTHER: <input type="text" value="Put on Injection"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="width: 60%;"> <p>The above reference well was put on injection at 1:30 PM on 09/05/2012. EPA # UT20853-09371</p> </div> <div style="width: 35%; text-align: center;"> <p>Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY September 11, 2012</p> </div> </div>		
NAME (PLEASE PRINT) Lucy Chavez-Naupoto	PHONE NUMBER 435 646-4874	TITLE Water Services Technician
SIGNATURE N/A	DATE 9/11/2012	



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>

AUG 27 2012

Ref: 8P-W-UIC

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Reed Durfey
District Manager
Newfield Production Company
Route 3 – Box 3630
Myton, Utah 84052

RECEIVED

SEP 10 2012

DIV. OF OIL, GAS & MINING

Accepted by the
Utah Division of
Oil, Gas and Mining

FOR RECORD ONLY

RE: Underground Injection Control
Limited Authorization to Inject
EPA UIC Permit UT20853-09371
Well: Lone Tree Unit 7-16-9-17
SWNE Sec. 16-T9S-R17E
Duchesne County, Utah
API No.: 43-013-32310

Dear Mr. Durfey:

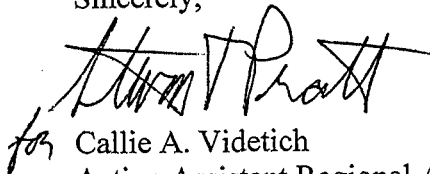
The U.S. Environmental Protection Agency Region 8 has received Newfield Production Company's (Newfield) August 1, 2012, letter with enclosures. The enclosed Part I (internal) Mechanical Integrity test, Well Rework Record (EPA Form 7520-12), schematic diagram and calculated pore pressure were reviewed and approved by the EPA, satisfactorily completing all Prior to Commencing Injection Requirements for UIC Permit UT20853-09371.

As of the date of this letter, Newfield is authorized to commence injection into the Lone Tree Unit 7-16-9-17 well at a Maximum Allowable Injection Pressure (MAIP) of 1,435 psig for a limited period of 180 days during which time a Radioactive Tracer Survey (RTS) is required according to UIC Permit UT20853-09371. If Newfield seeks a higher MAIP than 1,435 psig, it may be advantageous to run a step rate test prior to conducting the RTS because a RTS conducted at the higher MAIP will be required. Newfield must receive prior authorization from the Director to inject at pressures greater than the permitted MAIP during any test.

Please remember that it is Newfield's responsibility to be aware of, and to comply with, all conditions of Permit UT20853-09371.

If you have questions regarding the above action, please call Bob Near at (303) 312-6278 or (800) 227-8917, extension 312-6278. The RTS log with interpretation should be mailed to Jason Deardorff at the letterhead address, citing mail code 8P-W-UIC.

Sincerely,

A handwritten signature in black ink, appearing to read "Callie A. Videtich". The signature is stylized with a large, looped "C" and a long, sweeping "V".

for Callie A. Videtich
Acting Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

cc: Uintah & Ouray Business Committee:

Irene Cuch, Chairman
Richard Jenks Jr., Councilman
Frances Poowegup, Councilwoman
Ronald Wopsock, Vice-Chairman
Phillip Chimburas, Councilman
Stewart Pike, Councilman

Johnna Blackhair
BIA - Uintah & Ouray Indian Agency

Mike Natchees
Environmental Coordinator
Ute Indian Tribe

Manual Myore
Director of Energy & Minerals Dept.
Ute Indian Tribe

Brad Hill
Acting Associate Director
Utah Division of Oil, Gas, and Mining

Fluid Minerals Engineering Office
BLM - Vernal Office

Eric Sundberg, Regulatory Analyst
Newfield Production Company

Spud Date: 7 25 03
 Put on Production: 4 30 04
 GL: 5250' KB: 5262'

Lone Tree 7-16-9-17

Initial Production: 23 BOPD,
 10 MCFD, 128 BWPD

SURFACE CASING

CSG SIZE: 8-5 8"
 GRADE: J-55
 WEIGHT: 24#
 LENGTH: 7 jts. (302.32')
 DEPTH LANDED: 312.32' KB
 HOLE SIZE: 12-1 4"
 CEMENT DATA: 150sxs Class "G" mixed cmt, est 5.5 bbls cmt to surf.

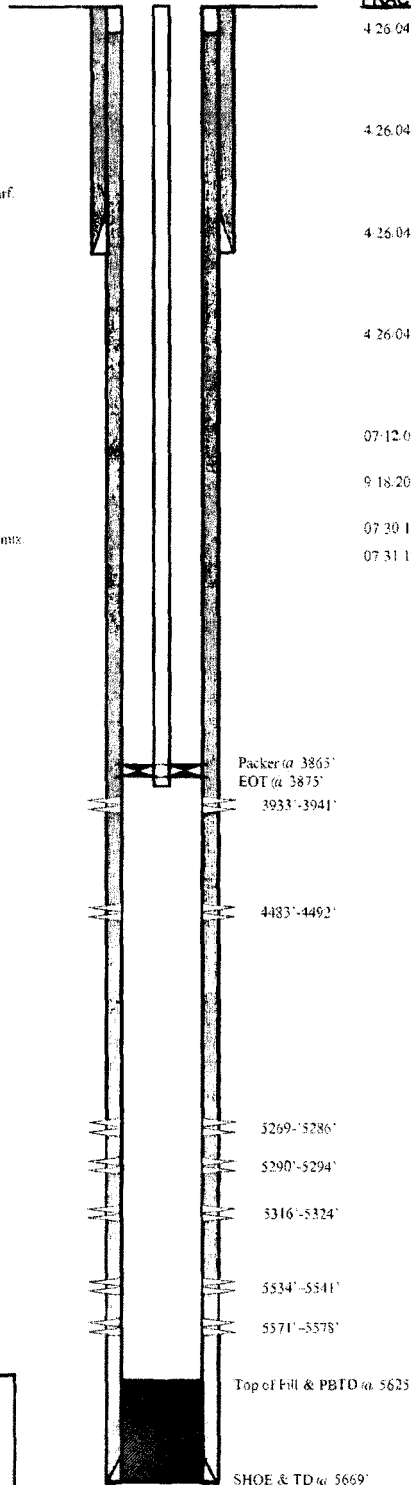
PRODUCTION CASING

CSG SIZE: 6-1 2"
 GRADE: J-55
 WEIGHT: 15.5#
 LENGTH: 130 jts. (5671.1')
 DEPTH LANDED: 5669.6' KB
 HOLE SIZE: 7 7 8"
 CEMENT DATA: 350 sxs Prem. Lite II mixed & 400 sxs 50-50 POZ mix.
 CEMENT TOP AT: 12'

TUBING

SIZE/GRADE/WT.: 2-7 8" / J-55 / 6.5#
 NO. OF JOINTS: 119 jts (3846.6')
 SEATING NIPPLE: 2-7 8" (1.10')
 SN LANDED AT: 3858.6' KB
 ON/OFF TOOL AT: 3859.7'
 PACKER CE @ 3864.77'
 XO 2-7 8" AT: 3868.8'
 TBG PUP 2-3 8" J-55 AT: 3869.3'
 XN NIPPLE AT: 3873.4'
 TOTAL STRING LENGTH: EOT @ 3875' w 12.5' KB

Injection Wellbore Diagram



FRAC JOB

4 26 04 5534'-5578' **Frac CP5 sands as follows:**
 29,806# 20-40 sand in 318 bbls lightning Frac
 17 fluid. Treated @ avg press of 1905 psi
 w avg rate of 24.8 BPM. ISIP 2050 psi. Calc
 flush: 5532 gal. Actual flush: 4775 gal.

4 26 04 5269'-5324' **Frac CP2 and 1 sands as follows:**
 84,981# 20-40 sand in 621 bbls lightning Frac
 17 fluid. Treated @ avg press of 1775 psi
 w avg rate of 24.7 BPM. ISIP 1950 psi. Calc
 flush: 5267 gal. Actual flush: 5183 gal.

4 26 04 4483'-4492' **Frac D2 sands as follows:**
 39,966# 20-40 sand in 355 bbls lightning Frac
 17 fluid. Treated @ avg press of 2180 psi
 w avg rate of 24.6 BPM. ISIP 2260 psi. Calc
 flush: 4481 gal. Actual flush: 4481 gal.

4 26 04 3933'-3941' **Frac GB4 sands as follows:**
 21,877# 20-40 sand in 224 bbls lightning Frac
 17 fluid. Treated @ avg press of 2290 psi
 w avg rate of 24.8 BPM. ISIP 2120 psi. Calc
 flush: 3931 gal. Actual flush: 3931 gal.

07 12 05 **Parted Rods** tubing and rods detailed and
 updated.

9 18 2010 **Well stimulation.** Updated rod and tubing
 detail.

07 30 12 **Convert to Injection Well**

07 31 12 **Conversion MIT Finalized** - update tbg
 detail

PERFORATION RECORD

Date	Depth Range	Tool	Holes
4/23/04	5571'-5578'	4 JSPF	28 holes
4/23/04	5534'-5541'	4 JSPF	28 holes
4/26/04	5316'-5324'	4 JSPF	32 holes
4/26/04	5290'-5294'	4 JSPF	16 holes
4/26/04	5269'-5286'	4 JSPF	68 holes
4/26/04	4483'-4492'	4 JSPF	36 holes
4/26/04	3933'-3941'	4 JSPF	32 holes

NEWFIELD

• Lone Tree 7-16-9-17

1980' FNL & 1980' FEL

SW NE Section 16, T9S, R17E

Duchesne County, Utah

API #43-013-32310; Lease #M1-3453B